

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 20

- Date:** November 4, 2009
- Subject:** Scope of Services for the first mile extension of Metrolink on the Redlands Branchline
- Recommendation:** Authorize staff to release a Request for Proposal (RFP) C10079 for consulting services for the Metrolink first mile expansion project.
- Background:** As part of the on-going Redlands Passenger Rail Project Alternative Analysis, the extension of Metrolink to the Rialto Avenue and E Street transit center as the new Metrolink terminus station was adopted by the SANBAG Board as the local preferred alternative (LPA). The next phase of the project is to prepare engineering designs and environmental documentation. In order to accomplish this phase, SANBAG intends on publishing an RFP for consulting services that will include the attached scope of services.
- Financial Impact:** The development of the scope and the RFP is consistent with the adopted budget. At the time of award of contract staff will prepare a budget amendment to cover the cost of the contract.
- Reviewed By:** This item was reviewed by the Commuter Rail and Transit Committee on October 22, 2009 and unanimously recommended for approval.
- Responsible Staff:** Mitch Alderman, Director of Transit and Rail Programs

Approved
Board of Directors

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

GENERAL SCOPE OF SERVICES METROLINK FIRST MILE

Project Overview

The San Bernardino Associated Governments (SANBAG), in cooperation with Southern California Regional Rail Authority (SCRRA) and BNSF Railway Company (BNSF) is seeking a consultant team to assist with securing environmental clearance and all necessary permits and perform preliminary and final design associated with the expansion of Metrolink service one mile on the Redlands branchline. The Project, "Metrolink First Mile", involves extending Metrolink service from the San Bernardino Depot to a proposed station at Rialto and E Streets, right-of-way services for the branchline to Redlands, assistance to the cities of San Bernardino, Loma Linda, and Redlands in support of Transit Oriented Development, and on-call services. Future rail service, east of E Street, known as the Redland Passenger Rail Project (RPRP), is proposed on the branchline which may be developed by a separate RFP.

The Consultant will be required to perform all professional and technical services necessary to prepare the environmental, engineering, and right-of-way documents for the Project. Coordination between SANBAG, SCRRA, BNSF, the cities of San Bernardino, Loma Linda, and Redlands, Omnitrans, Caltrans, and Consultant will be accomplished through a SANBAG Contract Manager, Mr. Mitchell A. Alderman, PE, Director of Transit and Rail Programs, or his designee.

It is anticipated that the Project will be completed using local or state funds. However, since federal funding is a potential for the Project, the Consultant will provide a team that may need to meet the SANBAG DBE and UDBE Goals and Commitments. See SANBAG's website for further details, <http://www.sanbag.ca.gov/dbe/index.html>.

SANBAG reserves the option to extend the selected Consultant's contract to include the environmental documents, preliminary and final design, and supporting documentation services for the remaining portion of the rail corridor expansion, the Redlands Passenger Rail Project.

Project Location and Description

The Project will reconstruct rail infrastructure on the existing Redlands branchlines and City of San Bernardino right-of-way to include double tracking between the San Bernardino Depot and the proposed station at Rialto and E Streets where a multi-modal transit center will be constructed. The total Project length is approximately one-mile per the locally preferred alternative in the Alternatives Analysis (AA) Report as adopted by the SANBAG Board of Directors. The Project includes the following components.

- Double track between MP 0.0+/- and MP 1.0+/- on the Redlands branchline.
- Grade crossing improvements meeting FRA quiet zone/CPUC requirements:
 - 3rd Street
 - 2nd Street
 - Rialto Avenue/I Street Intersection
 - I-215 Overpass
 - G Street
 - E Street
- Environmental Clearance and Permitting
- Caltrans I-215 Overhead Modifications
- Retaining Walls
- Drainage Facilities
- Utility Protection and Relocation
- Station Facilities
- Railroad Signals and Communication
- Traffic Signaling
- Operational Analysis
- Right-of-Way and Property Acquisitions

Applicable Standards

The engineering and environmental documents shall be prepared in accordance with current State and Federal regulations, policies, procedures, manuals, and standards. The PS&E (plans, specifications, and estimates) shall be prepared according to comply with Metrolink, BNSF, CPUC, and FRA. The technical aspects of the Project shall be designed in accordance to American Railway Engineering and Maintenance of Way Association (AREMA), Metrolink, and BNSF standards and practices. In the event that conflicting standards are encountered, the most restrictive or stringent standard shall be used as approved by SANBAG.

SCOPE OF WORK

TASK 1.0: MANAGEMENT AND ADMINISTRATION

Management and administration activities shall be provided by the Consultant consistent with the technical scope of services and with the requirements of SANBAG. Management includes overview and coordination of the work to assure quality assurance and a quality product delivered within schedule and budget. Elements included but not limited to coordination, reporting, quality control (QC), safety, and cost/schedule monitoring and control.

TASK 1.1: PROJECT MANAGEMENT

Consultant's Project Manager (PM) shall be the single point of contact with SANBAG and will be responsible for the quality of the design and the delivery of the project milestones within schedule and budget.

TASK 1.2: PROJECT ADMINISTRATION

Consultant shall provide the management and staff needed to plan, organize, direct, supervise, control, and coordinate the administrative aspects of the project, including but not limited to contract and subcontract administration, accounting, personnel administration, reporting, and document and drawing control administration.

TASK 1.3: PROJECT CONTROL

The Consultant shall establish and operate necessary systems to provide project control services including but not limited to costs controls, scheduling, work breakdown structures, QA/QC, and progress reporting.

TASK 1.4: TRAINING AND SAFETY

Training of Consultant's on-site railroad right-of-way (ROW) personnel shall be in accordance with the 49 CFR Part 214, SCRRRA and BNSF safety training and shall include at a minimum as:

- Attend SCRRRA/BNSF safety training classes;
- Adherence to SCRRRA/BNSF Safety Regulations;
- Adherence to Federal Railroad Administration Safety Regulations;
- Adhere to Occupational Safety Health Administration (OSHA) requirements;
- Notification and Encroachment permits to enter ROW; and
- Flag Protection.

TASK 2.0 GENERAL TASKS, COORDINATION, AND PLANNING ELEMENTS

General tasks include agency coordination, permitting, environmental, field surveys, geotechnical investigation, right-of-way (ROW) requirements, design criteria, and other elements that either establish the basis for preliminary engineering or serve broader areas of project development.

TASK 2.1: AGENCY, UTILITY, FREIGHT RAILROADS, AND JURISDICTION INTERFACE REQUIREMENTS

Project implementation and design development coordination shall be required with all involved agencies and jurisdictions. Under the lead of SANBAG, the Consultant shall support the coordination with external agencies, jurisdictions, private utilities, and

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third-parties during environmental clearance and preliminary and final design development and shall maintain coordination documents.

Support shall require engineering drawings, sketches, technical memoranda, visual presentation materials, and attendance at presentations and coordination meetings. Assistance may be required in making presentations to SANBAG as well as other outside agencies. Coordination with existing freight railroads shall include but not be limited to planning and analyzing for commuter and freight operations, active freight customers during the construction phase, and the Redlands Passenger Rail Project.

Support activities may be required for, but not be limited to, coordination with the following jurisdictions, organizations, private companies, and agencies.

- San Bernardino Associated Governments (SANBAG)
- Metrolink/SCRRA (Southern California Regional Rail Authority)
- BNSF Railway Company
- National Passenger Rail Corporation (Amtrak)
- California Public Utilities Commission (CPUC)
- Caltrans District 8
- Cities of San Bernardino, Loma Linda, and Redlands
- Federal Railroad Administration (FRA)
- Federal Transit Administration (FTA)
- Local School Districts
- Omnitrans
- Private Land Owners
- Utility Agencies and Companies

TASK 2.2: ENVIRONMENTAL SERVICES SCOPE

The Consultant shall provide both technical and administrative environmental services consistent with obtaining the necessary environmental clearance for the extension of Metrolink service to the Rialto and E Avenue station.

The Consultant shall work with SANBAG to determine a preferred environmental clearance strategy for the Project and shall, in consultation with SANBAG, identify the appropriate CEQA and NEPA documents. Consideration may also be given to preparing an environmental document for the entire Redlands Subdivision alignment in support of the Redlands Passenger Rail Project. The Consultant may be requested also provide on-call environmental services on an as needed basis.

Environmental Document and General Activities

Consultant shall follow a work process that ensures the objectives of stakeholders including local, state, and federal agencies are met. This process may include but not be limited to the following general activities.

- Preparation of the draft environmental document for the Project.
- Preparation and circulation of the draft environmental document and supporting technical studies.
- Participation in various public meetings; if required.
- Respond to comments and finalization of environmental documentation and studies.
- Provide support through final agency decision and project approval and documentation certification.
- Publish various notices and filings of the environmental document.
- Provide support for any required or desired coordination meetings and activities.

The environmental document shall include various chapters, sections, and appendices. Information included for the document may be gathered from many sources as well as studies, surveys, and analyses that Consultant may perform. Following is a listing of the content that may be included in the document. Consultant shall be aware; however, that the environmental document may require additional information to what is presented as follows.

- Executive Summary section, which may include information on Project's location and background, the current environmental setting, agency coordination, project alternatives and discarded alternatives; project purpose, project approvals and permits; and a summary of impacts and mitigation measures.
- Statement regarding the project purpose and need. This may include information on current operational deficiencies, current and future traffic conditions, growth trends and development, and project objectives.
- A section describing the preferred alternative and how it was selected.
- A chapter on the affected environment, which may include information on aesthetics; biological resources including wetlands, geology, soils, and seismicity; hydrology and flood plains, cultural resources, air quality, noise, hazardous waste, land use, public services and utilities, socioeconomic conditions, and traffic and transportation.
- Additionally, the environmental consequences (effects) and mitigation measures of the foregoing shall be addressed. The Consultant may also be required to identify unavoidable adverse environmental impacts, cumulative impacts, environmental justice (NEPA), irreversible environmental changes, and growth-inducing impacts.

- The environmental document may also include information on public agency/organization consultation and coordination and persons that were involved with the environmental document preparation, as well as technical appendices and a bibliography and index.
- A mitigation monitoring and reporting program shall also be prepared for all mitigation measures identified in the environmental document.

Technical Studies, Data Review, and Reports

The Consultant may be required to perform studies and prepare technical reports in support of the environmental documents identified above and/or review data including but not limited to the following.

- Acquisitions and Displacements
- Air Quality
- Biological Resources
- Community Facilities and Services
- Cultural Resources
- Cumulative Impacts
- Geotechnical, Soils and Seismic Conditions
- Land Use and Planning
- Noise and Vibration
- Socioeconomics
- Traffic and Transportation
- Visual Effects
- Water and Water Quality
- Hydrology and Drainage
- Construction Impacts and Construction Staging

Submittal of Studies, Reports, and other Deliverables

- All deliverables shall be prepared in accordance with applicable State and Federal oversight requirements. The Consultant shall submit all deliverables to SANBAG for review.
- The Consultant shall respond to all comments received from SANBAG as directed.
- The Consultant shall support any and all studies, analysis, and requirements needed to successfully complete the environmental requirements of the project.

TASK 2.3: PERMITTING

The Consultant shall be responsible for leading and manage all permitting efforts in accordance with regulatory requirements. As part of this effort, the Consultant shall

identify, consistent with a preliminary level of design development, all permitting requirements for design and construction of the first mile of the Project.

The Consultant shall provide environmental permitting, and other types, support for the following activities.

- CPUC permits for grade crossings;
- General Discharge – National Pollutant Discharge Elimination System (NPDES);
- US Army Corps of Engineers Section 404 permit;
- Regional Water Quality Control Board Section 401 Water Quality Certification;
- Requirements of U.S. Fish and Wildlife Services (Biological Assessment);
- California Department of Fish and Game for endangered species (Section 1600 if required);
- California State Historic Preservation for impacts on historic sites;
- Various water appropriation related permits, including Groundwater Appropriations Permits for construction water; and
- Other permits as may be identified.

Support for Environmental activities will include engineering drawings, sketches, technical memoranda, visual presentation materials, and attendance at presentations and coordination meetings.

TASK 2.4: SURVEYING AND MAPPING SERVICES

The Consultant shall prepare right-of-way and aerial and topographic mapping suitable for preliminary engineering and for final design. The CONSULTANT shall conduct field surveys during the preliminary design phase that may include obtaining and plotting additional topographic mapping needs, providing control surveys for horizontal and vertical control, setting control monuments, and preparing exhibits and Records of Surveys that depict monument locations and coordinates, conducting property line surveys for ROW acquisition, perform real property appraisals, locating utility lines, identify geotechnical and pot-hole locations, and prepare construction support documents such as construction easements, plats, and legal descriptions. These services shall include the entire Redlands branchline from the San Bernardino Depot, MP 0.0+/- to Redlands University, MP 10.2+/-.

TASK 2.5: BASELINE ANALYSIS, DATA COLLECTION, DATA REVIEW, AND EXISTING UTILITY LOCATIONS

Baseline analysis shall consist of a field review of the project site, data collection, and review of existing data as well as data development augmentation including but not limited to collecting and analyze existing physical data in the field and from as-built data from SANBAG, BNSF, cities, utilities, and Metrolink furnished materials to include in the existing conditions such as information regarding track, communication and signals,

geotechnical, hazardous materials, grade crossings, structures and culverts, roadways and streets, hydrology and drainage, ROW delineations, track charts, and utilities.

TASK 2.7: GEOTECHNICAL SERVICES

The Consultant shall provide geotechnical services including but limited to investigations, necessary investigation permitting, testing, geology, seismicity reports, drilling, technical reports, hazardous materials report with remediation, and design/construction recommendations.

TASK 3.0: ENGINEERING

The Consultant shall develop the necessary preliminary engineering alignments to define the alternatives, in addition to the “No Build” alternative to support the environmental process in the effort to select a preferred alternative and to carry the design forward to final PS&E.

TASK 3.1: DESIGN CRITERIA

The Consultant shall apply the necessary design criteria, standards, guidelines, and recommended practices per SCRRA, BNSF, and AREMA to address alignment geometry, operation and facility requirements for freight and passenger service, drainage, bridge, culvert, and structures, retaining walls, seismic events, utilities, fencing, traffic control, pedestrian crossings, grade crossings, signage, striping, traffic control, and right-of-way.

TASK 3.2: PRELIMINARY ENGINEERING

The Consultant shall further develop the selected alternative to a preliminary level of design of approximately 30% level of development. Preliminary engineering will be based on the selected refined alternative and will advance design development to approximately 30%. The 30% submittal shall include but not be limited to track plan and profile drawings; typical sections; specific cross section; type/size/location of structures; storage tracks layouts; station and grade crossing plans; cost estimate; utility protection/relocation; and technical reports for traffic, geotechnical, drainage, hazardous materials.

TASK 3.3: FINAL ENGINEERING

The Consultant shall further develop the preliminary engineering design to the final PS&E level of design with submittals at 60%, 90%, 100% and camera ready levels of development. The final engineering submittals shall consist of the preliminary engineering items developed as necessary for each submittal.

TASK 4.1: TRANSIT ORIENTED DEVELOPMENT

The Consultant shall assist the Cities of San Bernardino, Loma Linda, and Redlands with the creation of Transit Oriented Development (TOD) overlay zones or the necessary land use changes to help promote greater transit use. Working with SANBAG, this task shall include but be limited to meetings with each city, modifying general plans and zoning ordinances, develop and adopt TOD guidelines, establishing minimum guidelines and joint development policies, preparation of station area plans and regulations, addressing mobility and circulation to and from TODs through vehicular, pedestrian, and bicycle access, and working with SCAG to update the regional model.

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 21

Date: November 4, 2009

Subject: Rail and Transit Program Update

Recommendation:* Receive information regarding update of current rail and transit programs

Background: With the reformulation of the Commuter Rail Committee to include transit, and the addition of two new members from the Mountain/Desert area, staff updated the committee on transit and rail activities. This presentation reviewed on-going and future activities for Metrolink, Redlands Passenger Rail, and the six county transit agencies regarding planning studies, project implementation, operational analyses, and funding. Staff also began a series of "Railroad 101" topics that will occur over multiple meetings, to help inform the members to varying aspects of the rail industry that will include regulations, agreements, organization structure, engineering, construction, operations, and maintenance.

Financial Impact: This item is consistent with the adopted budget and imposes no additional financial impact.

Reviewed By: This item was unanimously received by the Commuter Rail and Transit Committee on October 22, 2009.

Responsible Staff: Mitch Alderman, Director of Transit and Rail Programs

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Approved
Board of Directors

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

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Attachment:
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**Governments
SANBAG
Working Together**

Railroad 101

Mitch Alderman, PE
Director of Transit and Rail Programs
October 22, 2009

Rail Regulators

Regulators

FRA – Federal Railroad Administration

CPUC – California Public Utilities Commission

STB – Surface Transportation Board

Non-Regulators

FTA – Federal Transit Administration

CCOR – General Code of Operating Rules

APTA – American Public Transportation Association

ARTMA – American Railway Engineering and

Maintenance of Way Association

Federal Railroad Administration (FRA)

- General Transportation System
- Heavy Rail (49 CFR Part 240)
 - Freight
 - Commuter Rail
 - High Speed Rail
 - Light Rail Transit in Joint Corridors
- Railroads - Self Regulated Using CFRs
- American Railway Engineering and Maintenance of Way Association (AREMA)
 - Recommended Practices

California Public Utilities Commission (CPUC)

- Non-General Transportation Systems
- Regulate by General Orders (GO)
 - Heavy Rail & Light Rail
 - Clearances (GO-26D)
 - Grade Crossing (GO-75D, GO-83B)
 - GO 95 Overhead Electric
 - GO 128 Construction
 - GO 143-B- Design, construction, and operation of LRT systems
 - GO 164 D - Safety Oversight
 - Light Rail Transit (LRT)
 - Complete regulation
 - Operations, Vehicle Configuration, Safety

Mode Types

Heavy Rail Operators (California) - FRA

- Freight – BNSF, UPRR, Shortlines
- Commuter – Metrolink, Coaster, Caltrain, ACE
- Intercity – Amtrak

Light Rail Operators (12) - CPUC

Metro, MTS, Bart, Muni, NCTD (Sprinter), Sacramento RT, Santa Clara VTA, Waterfront Red Car Line (POLA), Angle's Flight Funicular, Airtrain (San Francisco), The Grove (Farmers Market LA), American at Brand (Glendale)

Railroad Class

Class 1 - \$2777.7 million annual revenues

- BNSF (Burlington North Santa Fe)
- UP (Union Pacific)
- KSX (Kansas City Southern)
- NS (Norfolk Southern)
- CXS
- CP (Canadian Pacific)
- CN (Canadian National)
- Amtrak and Via Rail (Canadian)

Class 2 - \$20.5 to \$277.7 million

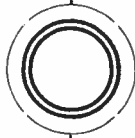
Class 3 - Less than \$20.5

Track Class Speeds

(49 CFR Part 213)

	(F)	(P)
Excepted	10	N/A
Class 1	10	15 (Redlands)
Class 2	25	30
Class 3	40	60
Class 4	60	80 (typical Metrolink)
Class 5	80	90 (Metrolink - San Diego Subdivision)
Class 6	N/A	110
Class 7	N/A	125
Class 8	N/A	160
Class 9	N/A	200

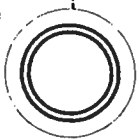
SANBAG Transit Programs



INTRODUCTION TO TRANSIT PLANS AND PROGRAMS

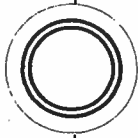
BETH KRANDA
TRANSIT ANALYST
OCTOBER 22, 2009

Transit Agencies



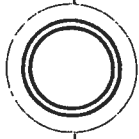
- 2 Urban Agencies
 - Omnitrans – SB Valley
 - ✱ \$73 Million Operating and \$17 Million capital budget
 - ✱ 173 Vehicles, 111 Access Vehicles
 - VVTA – Victor Valley Area
 - ✱ \$7.2 Million Operating Budget and \$5.2 Million Capital Budget
 - ✱ 76 Vehicles
- 4 Rural Agencies plus
 - Barstow Area Transit – run through the City of Barstow
 - ✱ Senior & Disabled Volunteer Driver Programs – Trona and Big River
 - ✱ \$2.9 Million Operating Budget and \$800,000 Capital Budget
 - ✱ 22 Vehicles
 - MARTA – Mountain Area Regional Transit Authority
 - ✱ \$2.6 Million Operating Budget and \$900,000 Capital Budget
 - ✱ 18 vehicles
 - MBTA – Morongo Basin Transit Authority
 - ✱ \$2.5 Million Operating Budget and \$1 Million Capital Budget
 - ✱ 28 Vehicles
 - ✱ Taxi Administration
 - Needles – run through the City of Needles
 - ✱ \$310,000 Operating Budget and \$8,000 Capital Budget
 - ✱ 4 vehicles

Yearly Activities



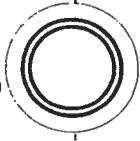
- Yearly Budgeting
- Funding projections
- Service Planning
- Capital Projects Planning
- Yearly Program of Projects to Caltrans & FTA
- Yearly Urbanized Apportionment calculations
- Yearly TDA – Unmet Transit Needs Hearings
- Overall Support on transit issues
- Member of State/National Transit Committees
(CalAct, CTA, APTA, CTAA)

Current Projects



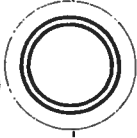
- Long Range Transit Plan for San Bernardino County
 - A Comprehensive Transit Plan through 2035
 - Includes population projections and transit services to meet the demand
 - Future transit identified
 - ✦ Metrolink extension
 - ✦ Additional BRT Lines Identified – San Bernardino Valley
 - ✦ Transit connections from Victor Valley area into San Bernardino Valley
 - ✦ Capital and Operating costs identified
 - ✦ Future and projected revenues identified

Current Projects (cont'd)



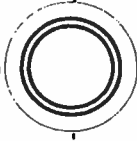
- Victor Valley Long Distance Commuter Needs Assessment
 - Began in Feb. 09 – completion by January 2010
 - Measure the demand and feasibility of providing public transit from the Victor Valley area into San Bernardino Valley
- CTSA Study
 - Guide to the creation of a Consolidated Transportation Services Agency in the San Bernardino Valley
 - Serves the transportation needs of Seniors/Disabled and Low Income populations
 - Dedicated funding source identified in the reauthorization of Measure I

Current Projects (cont'd)



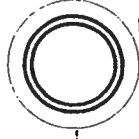
- El Mirage Pilot Project
 - Pilot project to provide a mileage reimbursement program for persons of low income for work or work related purposes
 - 1st cooperative transit project between Dept. of Aging and Adult Services/County/VVTA
 - Program will start December 1, 2009

Current Projects (con'd)



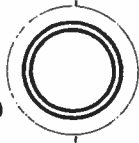
- Rialto and E Street Transit Station Project
 - Part of Project Development Team for future transit station
- sbX – Bus Rapid Transit
 - Part of Project Development Team for E Street BRT
- Omnitrans and Chino Hills
 - Working to restructure transit delivery modes for the city of Chino Hills
- VVTA Administration
 - Assisting in studying potential in house administrative services

Future Projects



- San Bernardino County Rural Connectivity Study
 - Connecting rural area to existing transit systems
- Operators Short Range Plans – MARTA, MBTA, Needles, VVTA and Barstow
- CTSA study for Victor Valley area
- Vanpool Program for SB and VV Area
- Call for projects for FTA JARC and NF funds – urban areas
- Restructure of PASTACC – Public and Specialized Transportation Advisory Coordinating Council
- Partnership with Pomona Valley Transit Authority for Volunteer Driver Programs – LA County

Future Projects (cont'd)



- Metrolink 1st Mile Project
- Redlands Rail Project
- Hi Speed Rail Project
- Gold Line Extension to Montclair
- Gold Line Extension Montclair to Ontario Airport

Minute Action

AGENDA ITEM: 22

Date: November 4, 2009

Subject: Expanding Local Stimulus Program Project Eligibility

Recommendation:* Approve an expansion of the project eligibility guidelines for the Local Stimulus Program as outlined in Exhibit A.

Background: When the Local Stimulus Program was originally approved there were four major categories of project eligibility:

1. Major rehabilitation, resurfacing or reconstruction extending road life by 10 years.
2. New construction to increase capacity, improve mobility or enhance safety.
3. Improvements to bicycle or pedestrian safety or mobility with a useful life of at least 10 years.
4. Environmental mitigation for air or water quality impacts identified in the environmental impact report for a transportation project.

As the Local Stimulus Program implementation has started, a concern has been raised about the deterioration of local funding for road maintenance due to state budget actions. The County requested consideration of expanding project

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Approved
Board of Directors

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____

eligibility to include maintenance to help offset the instability created by the State budget.

SANBAG staff expressed concern over the expansion of eligibility due to potential impacts to Measure I cash flow. Specifically the concern was that expanding the requirements to general maintenance would create an immediate draw against the program that would create a cash flow problem for the Measure I funds that are used not only for the Local Stimulus Program but also for specific major projects and as SANBAG's source of upfront money to fund construction in advance of federal and state reimbursements.

SANBAG staff has met with the County to discuss these cash flow concerns and the County's goals for expanding project eligibility. After those discussions the following changes are being proposed:

1. Eligible projects will be expanded to mirror the eligible projects defined in the Measure I 2010-2040 Strategic Plan for Local Streets.
2. Specific projects or facilities must still be identified and a Project Application must still be submitted.
3. The Local Stimulus Program will remain a reimbursement program.

The proposed changes are added to the amended Local Stimulus Program Procedures attached to this item as Exhibit A.

By keeping the requirements that projects must be for identified roads and streets and not for general categorical programs and by requiring that all projects be submitted for approval before becoming eligible for reimbursement, the concerns for SANBAG's cash flow have been mitigated. It is possible that the expansion of eligibility to more maintenance activities could lead to more projects being requested and completed earlier than would have otherwise occurred. This acceleration of project completions should not be more than can be accommodated by SANBAG's cash flow projections.

Financial Impact: This item will not impact the approved budget for the Local Stimulus Program but may impact the rate at which funds are disbursed.

Reviewed By: This item was reviewed and unanimously recommended for approval by the Mountain/Desert Committee on September 25, 2009 and by the Major Projects Committee on October 15, 2009.

Responsible Staff: Duane A. Baker, Director of Management Services

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Exhibit A

Local Stimulus Program Procedures

Listed below are the procedures for administration of the Local Stimulus Program.

1. SANBAG will notify each agency of its total allocation. This amount will be based on a per capita basis, excepting that no agency will receive less than \$300,000. SANBAG will determine the amount each agency will receive using the following procedure:
 - a. The \$31.4 million total amount available will be segregated with \$2.05 million designated for rural areas (less than 5,000 population) and \$29.35 million designated for non-rural areas. The \$29.35 million for non-rural areas will then be divided by the total county population less the total rural area population to arrive at a per capita amount.
 - b. This amount will then be multiplied by the population of each city and the non-rural unincorporated areas of the county to arrive at the per capita share for each agency.
 - c. The population figure used will be the State Department of Finance population estimate for January 1, 2009.
 - d. SANBAG will then evaluate the per capita shares of the total \$29.35 million of non-rural funds available for each agency and identify each agency that would receive less than \$300,000 (Grand Terrace, Big Bear Lake, Needles).
 - e. SANBAG will then allocate \$300,000 towards each of those agencies and subtract that amount (\$900,000) from the \$29.35 million of Local Stimulus Funds.
 - f. A second calculation will be done to establish the new per capita shares for the remaining agencies by taking the new amount available and dividing that by the total non-rural county population less the population of the agencies receiving the \$300,000 minimum.
 - g. This new per capita amount will then be multiplied by the population of the remaining agencies to establish a new agency share.
2. A total of \$2.05 million will be made available to the County specifically for projects in the rural areas. The \$1.2 million ARRA Rural allocation is counted against the County's total \$2.05 million rural allocation and projects funded by these ARRA Rural funds will follow the guidelines established by Caltrans for managing ARRA funds.
3. Agencies will submit Local Stimulus Program projects to SANBAG on a form approved by SANBAG which will include:
 - a. Project name and description.
 - b. Either the actual number of jobs created by the project or an estimate of the number of jobs that will be created by the project (SANBAG will provide guidance on how to calculate this number).

Exhibit A

- c. Total project cost and designation of all funds to demonstrate that the project is fully funded.
 - d. Estimated project start and completion dates.
 - e. Useful life of the project.
4. Projects submitted must be one of the following:
- a. Improvements to bicycle or pedestrian safety or mobility with a useful life of at least 10 years.
 - b. Environmental mitigation for air or water quality impacts identified in the environmental impact report for a transportation project.
 - c. Construction or maintenance as defined by Measure I 2010-2040 Policy No. 40003 Section IV D & E as follows.

D. Eligible Expenditures

Policy VLS-12: Eligible expenditures include construction, maintenance, and overhead. Included below are definitions and types of eligible expenditures by category.

- a. *Construction shall be defined as the building or rebuilding of streets, roads, bridges, and acquisition of rights-of-way or their component parts to a degree that improved traffic service is provided and geometric or structural improvements are effected including allocated administration and engineering necessarily incurred and directly related to the above.*
 - 1) *Removal of old street and roadbeds and structures, and detour costs when connected with a construction project.*
 - 2) *Change of alignment, profile, and cross-section.*
 - 3) *Addition of a frontage street or road.*
 - 4) *Original surfacing of shoulders.*
 - 5) *Installation of original traffic signs and markers on routes.*
 - 6) *Earthwork protective structures within or adjacent to the right-of-way area.*
 - 7) *Complete reconstruction or addition to a culvert.*
 - 8) *Reconstruction of an existing bridge or installation of a new bridge.*
 - 9) *Widening of a bridge.*
 - 10) *Installations or extensions of curb, gutter, sidewalks or underdrain, (including improvements to handicap ramps to make them ADA compliant).*
 - 11) *Extensions and new installation of walls.*
 - 12) *Reconstruction of an intersection and its approximate approaches to a substantially higher type involving a change in its character and layout including changes from a plain intersection to a major channelized intersection or to grade separation and ramps.*
 - 13) *Placing sufficient new material on soil surface, gravel street or road to substantially improve the quality of the original surface.*
 - 14) *Improvement of a surface to a higher type.*
 - 15) *Bituminous material of 1" or more placed on bituminous or concrete material. A lesser thickness may be considered construction provided the engineer shall certify that the resulting pavement is structurally adequate to serve anticipated traffic.*
 - 16) *Remix existing bituminous surfacing with added materials to provide a total thickness of 1" or more. A lesser thickness may be considered construction provided the engineer*

Exhibit A

shall certify that the resulting pavement is structurally adequate to serve anticipated traffic.

- 17) Stabilization of street or road base by additive, such as cement, lime or asphaltic material.
- 18) Widening of existing street, roadbed or pavement, with or without resurfacing.
- 19) Addition of auxiliary lanes such as speed change, storage, or climbing lanes.
- 20) Resurfacing, stabilizing or widening of shoulders including necessary connections to side streets or road approaches.
- 21) Installation or addition to landscape treatment such as sod, shrubs, trees, irrigation, etc.
- 22) Extending old culverts and drains and replacing headwalls.
- 23) Replacement of bridge rails and floors to a higher standard.
- 24) Replacement of retaining walls to a higher standard.
- 25) Replacement of all major signs or traffic control devices on a street or road.
- 26) The installation of a new sign or the replacement of an old sign with one of superior design such as increased size, illumination, or overhead installations.
- 27) Installation or improvement of traffic signal controls at intersections and protective devices at railroad grade crossings.
- 28) Installation or expansion of street or road lighting system.
- 29) Replacement in kind, when legally required, of structures which are required to be relocated for street and road purposes.
- 30) Construction of bikeways when they are an integral part of the Public Streets and Highways System.
- 31) Extension or new installation of guardrails, fences, raised medians or barriers for traffic safety.
- 32) Painting or rearrangement of pavement striping and markings, or repainting to a higher standard.
- 33) Construction of pedestrian underpasses or overhead crossing for the general public use.
- 34) Purchase and installation of traffic signal control equipment including traffic actuated equipment, radio or other remote control devices and related computers and that portion of preemption equipment not mounted on motor vehicles.

b. Maintenance shall be defined as the preservation and upkeep of a street or road to its constructed condition and the operation of a street or road facility and its integral services to provide safe, convenient and economical highway transportation. Examples of Maintenance include:

- 1) Scarifying, reshaping and restoring material losses.
- 2) Applying dust palliatives.
- 3) Patching, repairing, surface treating, and joint filling on bituminous or concrete surfaces.
- 4) Jacking concrete pavements.
- 5) Repair of traveled way and shoulders.
- 6) Bituminous material of less than 1" added to bituminous material including seal coats.
- 7) Remix existing bituminous surfacing with added materials to provide a total thickness of less than 1". (See exception under Construction, example 16.)
- 8) Patching operations including base restoration.
- 9) Resealing street or road shoulders and side street and road approaches.
- 10) Reseeding and resodding shoulders and approaches.
- 11) Reshaping of drainage channels and side slopes.
- 12) Restoration of erosion controls.
- 13) Cleaning culverts and drains.

Exhibit A

- 14) *Removing slides and restoring facilities damaged by slides. (Additional new facilities shall be considered construction.)*
 - 15) *Mowing, tree trimming and watering.*
 - 16) *Replacing top soil, sod, shrubs, trees, irrigation facilities, etc. on street and roadside.*
 - 17) *Repairing curb, gutter, rip-rap, underdrain, culverts and drains.*
 - 18) *Cleaning, painting and repairing bridges and structures.*
 - 19) *All snow control operations such as the erection of snow fences and the actual removal of snow and ice from the traveled way.*
 - 20) *Repainting of pavements, striping and marking to the same standards.*
 - 21) *Repainting and repairing of signs, guardrails, traffic signals, lighting standards, etc.*
 - 22) *Servicing lighting systems and street or road traffic control devices.*
 - 23) *Furnishing of power for street and road lighting and traffic control devices.*
 - 24) *Developing and maintaining programs which enhance management of transportation facilities such as travel demand models and pavement management programs.*
- c. *Overhead shall be defined as those elements of cost necessary in the production of an article or performance of a service which are of such a nature that the amount applicable to the functions are not readily discernible. Usually they relate to those objects of expenditure which do not become an integral part of the finished product or service. Examples of overhead components are shown below and are comprised of costs which cannot be identified or charged to a project, unless an arbitrary allocation basis is used. Overhead will only be allowed via an approved cost allocation plan or an equitable and auditable distribution of overhead among all departments.*
- 1) *Payroll*
 - 2) *Facilities*
 - 3) *Advertising*
 - 4) *General Government*
 - 5) *Department Accounts/Finance*
 - 6) *Procurement*
 - 7) *Top Management*
 - 8) *General Accounting/Finance*
 - 9) *Personnel*
 - 10) *Data Processing*
 - 11) *Legal Costs*

E. Ineligible Expenditures

Policy VLS-13: Although many types of work may be classified as "construction," this does not make them automatically eligible for expenditures of Measure I funds. To be eligible, the work must be for street and road purposes.

- a. *Following is a list of the types of expenditures which are not eligible for financing with Measure funds:*

- 1) *Costs of rearranging non-highway facilities, including utility relocation, when not a legal road or street obligation.*
- 2) *New (first installation of) utilities, including water mains, sanitary sewers and other nonstreet facilities.*
- 3) *Costs of leasing property or right-of-way, except when required for construction work purposes on a temporary basis.*

Exhibit A

- 4) *The costs of constructing or improving a street or area for parking purposes, except for the width normally required for parking adjacent to the traveled way and within the right-of-way, or when off-street parking facilities are constructed in lieu of widening a street to improve the flow of traffic.*
 - 5) *Decorative lighting.*
 - 6) *Park features such as benches, playground equipment, and rest rooms.*
 - 7) *Work outside the right-of-way which is not a specific right-of-way obligation.*
 - 8) *Equestrian under and overpasses or other similar structures for any other special interest group unless as a part of a right-of-way obligation.*
 - 9) *Construction, installation or maintenance of cattle guards.*
 - 10) *Acquisition of buses or other mass transit vehicles or maintenance and operating costs for mass transit power systems or passenger facilities, other than to specifically serve elderly and handicapped persons.*
 - 11) *Maintenance or construction on alleys which have not been formally designated as part of the city or county street and road system.*
 - 12) *Non-street related salaries and benefits.*
 - 13) *Driveways outside of the street and road right-of-way.*
 - 14) *Electronic speed control devices or other non-highway related safety expenditures.*
5. Projects can be submitted to SANBAG beginning September 1, 2009 and will be accepted until September 1, 2010.
6. Once the project has been reviewed and approved by SANBAG staff for compliance, the Executive Director will issue a Local Stimulus Program Allocation Letter for each project.
7. Local agencies may access available Local Stimulus Program funds by submitting project expenditure invoices to SANBAG.
 - a. Invoices may be submitted as frequently as monthly or upon completion of the project.
 - b. Local agencies shall provide adequate documentation to substantiate the costs included in the invoice. At a minimum, the jurisdiction must submit the invoice provided by the contractor/consultant, which shall include unit costs, quantities, labor rates, and other documentation, as appropriate, to substantiate expenses incurred by the contractor/consultant.
 - c. SANBAG shall reimburse local agencies for eligible expenditures within 30 days of receiving a complete and satisfactory invoice package, which shall include all backup and support materials required to substantiate the expenditures.
8. Agencies will have 36 months from the date that SANBAG issues the Local Stimulus Program Allocation Letter to complete the project and request reimbursement
9. SANBAG will complete a semiannual report and a final project report to the Board.

DISCUSSION ITEMS

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 23

Date: November 4, 2009

Subject: Mark Watts report regarding the end of the State Legislative Year

Recommendation:* Presentation by Mark Watts. Provide direction, if desired.

Background: SANBAG's state advocate, Mark Watts, provides regular updates to the Board. The purpose of this agenda item is to provide an update concerning this year's legislative session and an overview of issues that may be of interest to the region.

Mr. Watts will be sharing with the Board information about key transportation and transit bills, the state budget, recent actions taken by the California Transportation Commission (CTC), and the report drafted by the Commission on the 21st Century to restructure the state's sales tax. Attached, please find the PowerPoint presentation that will be displayed during the Board meeting.

Additionally, Mr. Watts will share information about upcoming hearings scheduled through the end of this calendar year.

Financial Impact: This item is consistent with funding provided by FY 2009/2010 Budget to report to the Board on state advocacy efforts.

Reviewed By: This item has had no prior policy committee review.

Responsible Staff: Jennifer Franco, Director of Intergovernmental and Legislative Affairs

*

Approved
Board of Directors

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____



Smith, Watts & Company, LLC.
 Consulting and Governmental Relations
 2009 State Governmental Affairs
 Overview and Summary
 SANBAG Board

19 October 2009

TOPICS COVERED

- Key 2009 State Legislation
 - ✓ Transportation Bills
 - ✓ Transit Bills
- State Budget
 - ✓ Evolution of the 2008-09 and 2009-10 State Budget
 - ✓ Proposition 42
 - ✓ Public Transportation Account (PTA)
 - ✓ HUTA and other budget transfers
 - ✓ PD
 - ✓ HSRA
- California Transportation Commission (CTC) actions
 - ✓ P3 Guidelines
 - ✓ Design-Build
 - ✓ 2010 STIP
- Commission on 21st Century Economy

2009 LEGISLATION

Transportation Bills*

Assembly Bill	Status	Description
AB 37	Chaptered	Specifies the deferral of Highway User Tax Account, July and August 2009 payments to be paid September 2009, and payments for November 2009 through March 2010 shall be paid April 25, 2010, the Uniform Class.
AB 268	Senate Pull	Wrecks assessment by CTC every five years
AB 318	Chaptered	Increases procurement threshold for Alameda-Contra Costa Transit District, Santa Clara Valley Transit Authority, Golden Gate District and the San Mateo County Transit District
AB 721	Senate Suspense	Design Sequencing pilot project
AB 723	Vetoed	HSRA, California preferences for contracts
AB 764	Senate Suspense	Bay Region HOT Lane system
AB 768	Chaptered	CA Transportation Planning authority, permits tolling for new projects under a public utility
AB 1375	Chaptered	Adds two bridges to Bay Area to seismic retrofit program
AB 1403	Chaptered	Removes the cap on TDA contributions to SCAG
AB 1409	Senate Transportation	Alters requirements for county road contracting
AB 1464	Chaptered	Establishes Ranges of Regional Significance for buses

*Key Bills

2009 LEGISLATION

Transportation Bills

Bill Number	Status	Description
SB 355	Chaptered	Modifies the deferral of Highway User Tax Account, July and August 2009 payments to be repaid September 2009, and payments for November 2009 + March 2010 shall be paid April 20, 2010. Includes Urgency Clause.
SB 83	Chaptered	Authorizes up to \$12 fee as regulation for toll projects, on majority vote basis.
SB 393	Chaptered	Revises new CA Transportation Plan by 2012, updated every 5 years and to add 60%
SB 406	Vetoed	Shaw \$1 or \$2 fee for SB 379 planning purposes.
SB 409	Senate Floor	Creates a new consolidated Department of Rail
SB 545	Vetoed	Unleash 1-720 North project to a tunnel option
SB 526	Senate Transportation	Require CT to negotiate for 1 new train in Alameda corridor
SB 718	Chaptered	Add farm worker vans as eligible for TDA and update requirements for providers to use TDA for transit
SB 794	Chaptered	Expenditure of the past crossings

2009 LEGISLATION

Transit Bills

Bill Number	Status	Description
AB 336	Vetoed	New financing authority for transit villages
AB 672	Chaptered	Authorizes local advance funding for Prop 18 projects, with repayment
AB 729	Chaptered	Extends authority for design build use on transit projects
AB 1072	Chaptered	Clarifies terms for distribution of Prop 18 transit funds
AB 1339	Vetoed	Transit Village plans
AB 1303	Chaptered	Prop 18 transit system safety authorizes Homeland Security grants to be an a cash bond to residents
AB 1500	Senate Floor	Extends HOV access for electric and CNG vehicles to 2014
SB 525	Assembly Floor	Extends HOV access to new class of advanced technology vehicles (plug-in hybrids)

EVOLUTION OF THE BUDGET

- **Unusual 2009-10 budget process.** Because 2008-09 revenues were severely affected by the recession, the Legislature and the Governor worked to address both 2008-09 and 2009-10 annual budget deficits simultaneously from November 2008 through July 2009.
- **November 2008 Special Session Proposals.** Total budget solutions proposed in the Governor's November 2008 package equaled \$24.9 billion over 2008-09 and 2009-10 combined
- **2007-08 Legislative Session Ends Without a Budget Agreement.** The 2007-08 biennial legislative session (including the November special session) came to an end on November 30 without a budget agreement.
- **New Special Session Called as 2009-10 Legislature Starts.** On December 1, 2008, the Governor reiterated his estimate of a 2008-09 revenue shortfall of about \$11 billion and indicated that the budget problem over the two-year period of 2008-09 and 2009-10 could total \$28 billion.
- **Cash Situation Becomes Major Concern During December 2008.** During December 2008, state finances continued their steep decline. Due largely to the mounting declines in revenues, the Pooled Money Investment Board voted on December 17, 2008, to cease advancing money to about 2,000 bond-funded projects. In the subsequent weeks, this would cause many such projects to grind to a halt.

EVOLUTION OF THE BUDGET, CONTINUED

- **December Legislative Package Was Vetoed by the Governor.** The Legislature's December 2008 package was passed on a majority vote (as opposed to a two-thirds vote) on the premise that the package was not a net tax increase. The Governor immediately announced his intention to veto the December 2008 legislative package, and he did so formally on January 6, 2009.
- **Another Special Session Called.** Following the Legislature's actions the Governor used his Proposition 58 authority to declare another fiscal emergency on December 19, 2008.
- **Governor Released Outline of 2009-10 Budget Proposal Nearly Two Weeks Early.** On December 31, 2008, the Governor released the outline of the administration's 2009-10 budget proposals nearly two weeks before the typical January 10 deadline.
- **Governor's Package of Proposed Budget Solutions Grows to \$41.7 Billion.** Generally, the Governor included his November 2008 special session proposals in his January 2009 budget proposals, but the value of several of these options was reduced to reflect the delay in enacting them. In total, his proposed \$41.7 billion of budget solutions in 2008-09 and 2009-10 consisted of \$17.5 billion of spending-related actions, \$14.2 billion of revenue increases (primarily tax increases), and \$10 billion of borrowing.

EVOLUTION OF THE BUDGET, CONTINUED

- **Earliest Budget Act Passage in Modern California History.** On February 19, 2009, the Legislature approved the 2009-10 Budget Act, amendments to the 2008-09 Budget Act, and related legislation. The Governor signed the measures on February 20.
- **Package Includes \$41.7 Billion of Solutions.** The February budget package included \$41.7 billion of budget solutions to close an approximately \$40 billion shortfall and build up a reserve that was then projected to be \$2.1 billion by the end of 2009-10. (The \$41.7 billion figure included about \$8 billion of measures—principally included proceeds from the proposed lottery securitization—which were later rejected by voters.)
- **Governor's May 14 Budget Proposals.** The Governor released his May Revision on May 14, identifying a new \$15.5 billion budget problem. Over \$12.5 billion of this problem related to projected drops in revenues related to the recession in 2008-09 and 2009-10.
- **May 19 Special Election.** Voters rejected Propositions 1A through 1E at the May 19, 2009 special election. In addition to the loss of \$5 billion in lottery securitization funds, the defeat of the special election measures resulted in the loss of over \$800 million of assumed 2009-10 budget solutions related to early childhood development and mental health funds.

EVOLUTION OF THE BUDGET, CONTINUED

- **Governor's May 26 Budget Proposal.** To make up for the loss of the \$5.5 billion RAW budget, the administration proposed an additional \$5.5 billion of General Fund solutions on May 26, 2009. The May 26 proposals included the elimination of the California Work Opportunity and Responsibility to Kids (CalWORKs) and Healthy Families Programs (HFP); redirection of local gas tax funds; additional university budget cuts; elimination of new Cal Grant awards; deletion of General Fund support for state parks; and an array of health, corrections, employee compensation, and other spending actions.
- **Governor's May 29 Budget Proposal.** Essentially, the Governor's final set of May proposals included each of the proposals made on May 14, May 26, and May 29. Cumulatively, these proposals produced \$3.1 billion of budgetary relief for 2008-09 and \$20.8 billion of relief for 2009-10, for a total of \$24 billion over the two fiscal years combined.
- **Conference Committee Meets in May and June.** A conference committee consisting of five Senators and five Assembly Members began public meetings on May 21, 2009, to consider the Governor's May Revision proposals. The conferees adopted a set of proposed budget revisions on June 16, 2009.

EVOLUTION OF THE BUDGET, CONTINUED

- *Another Special Session Called, and Another Furlough Day Ordered.* On July 1, 2009, the Governor declared another fiscal emergency pursuant to Proposition 58 and initiated another special session of the Legislature. In conjunction with the declaration, the Governor ordered state employees to take another furlough day—bringing the total number of furlough days to three per month for essentially all executive branch employees—and reduced their pay by an additional amount of approximately 5 percent.
- *Another \$4.9 Billion of Solutions Proposed.* On July 1, the administration updated its revenue estimates to acknowledge officially that revenues would be \$3 billion less than it projected on May 14. In addition, the administration stated that the Legislature's failure to enact several proposed solutions by the end of the 2008–09 fiscal year—principally related to K–12 and higher education—had eroded \$5.3 billion of possible savings in the 2008–09 and 2009–10 budget.

FINAL JULY 2009 BUDGET PACKAGE

- *Final Budget Revision Approved.* Following several days of debate, the Legislature adopted further revisions to both the 2008–09 and 2009–10 budgets, as well as accompanying legislation on July 24. Measures negotiated by the legislative leaders and the Governor included about \$24 billion of solutions and an estimated \$900 million reserve at the end of 2009–10.
- *HUTA diversion fails.* A key measure that emerged from these negotiations did not receive the required number of votes to pass the Assembly. This was the proposed loan of \$1 billion of gasoline excise tax revenue from cities and counties to the General Fund in 2009–10 and 2010–11 for reimbursement of transportation-related bond payments.
- *Governor's Line-Item Vetoes and Subsequent Constitutional Challenges.* On July 28, 2009, the Governor signed the July budget package and announced line-item vetoes to reduce budgeted General Fund spending by \$489 million, principally in health and human services.

2008-09 AND 2009-10 STATE BUDGET, TRANSPORTATION HIGHLIGHTS

- *Full Funding of Proposition 42* projected at about \$1.4 billion allocated as follows:
 - ✓ \$576 million for the State Transportation Improvement Program to fund state and local transportation projects.
 - ✓ \$576 million to cities and counties for local streets and roads projects.
 - ✓ \$288 million to the Public Transportation Account (PTA) for mass transportation purposes.
- *Repayment of Past Proposition 42 Suspensions* provided \$83 million from the General Fund (although the GF was provided by capturing part of the PTA) in line with Proposition 1A.
- *Loan From State Highway Account to Help General Fund* amounts to \$135 million to be repaid by June 2012.
- *Public Transportation Funds Used to Help General Fund.* The 2009–10 budget transfers \$1 billion in mass transportation revenues to benefit the General Fund. This amount includes \$652 million from a spillover gasoline sales tax revenues to MTF and \$363 million from PTA.
- *State Transit Assistance.* In February, the Legislature reduced the 2008–09 funding level for the program by \$153 million in order to benefit the GF. Also, SBx3 7 (Ducheny) suspended funding for STA for four fiscal years from 2009–10 through 2012–13.
- *California Transit Association lawsuit* filed in 2008 upheld by Supreme Court in 2009 making all spillover and PTA diversions illegal.

2008-09 AND 2009-10 STATE BUDGETS TRANSPORTATION HIGHLIGHTS

■ HUTA – Local Gas Tax Programs

- ✓ The July budget resolution included a proposed loan of \$1 billion of gasoline excise tax revenue from cities and counties to the General Fund in 2009–10 and 2010–11 for reimbursement of transportation-related bond payments.
- ✓ This bill failed passage. A remnant in another bill permitted unfettered deferral of HUTA within the fiscal year.
- ✓ Ultimately, in October, the Legislature sent to the Governor a bill, SB 65, which set repayment requirements for deferred funds.
- ✓ Deferrals of July and August 2009 payments are to be made in September 2009. Additionally, payments for November 2009 through March 2010 shall be paid by April 28, 2010.

■ PID – Caltrans project initiation documents

- ✓ The Legislative Analyst recommended a reform of the funding for PIDs that would have shifted costs to regions for this critical preliminary documents needed to establish project costs and needs.
- ✓ A compromise eliminated the requirement from the budget and in its place a commitment for a working group to streamline preparation of PIDs.
- ✓ The last meeting for the Strategic Plan team was October 6, 2009, where the team gained consensus on streamlining recommendations.

2008-09 AND 2009-10 STATE BUDGETS TRANSPORTATION HIGHLIGHTS

■ High Speed Rail Authority (HSRA)

- ✓ The 2009–10 budget provides \$139 million in Proposition 1A bond funds for planning and development, with one-half of the funding available upon the submittal of a revised business plan by December 2009.

CTC ACTIVITIES, 2009

- **PS Guidelines:** SB 4 approved in February, authorizes CTC to approve Public Private Partnerships for transportation investments. This authority expires in 2017. CTC has just now promulgated guidelines which opens the door to Caltrans and regional sponsors to seek authority for specific projects.
- **Design-Build Guidelines:** SB 4 also provides authority for 10 Caltrans and 5 regional agency sponsored design-build projects on our transportation system. In September the CTC approved guidelines, which authorizes submittals for project approvals in January 2010.
- **2010 STIP Development:** At the October meeting the CTC approved the Fund Estimate (FE) for the 2010 STIP.
 - ✓ The 2010 FE includes a total estimate of \$3.8 billion in program capacity over the five-year FE period
 - ✓ New STIP program capacity sits at \$366 million in the FE period, while in contrast the 2008 FE forecast \$1.3 billion in new STIP program capacity over the same five-year period
 - ✓ Some projects programmed in 2009-10 through 2012-13 will need to be moved to later years where sufficient program capacity is estimated to be available
 - ✓ New STIP capacity in the future will continue to depend primarily on PTA resources and Proposition 4.2 revenues transferred to the TIF

CTC ACTIVITIES, CONTINUED

STIPFE, continued

- ✓ The 2010 STIP Fund Estimate indicates that there is no new programming capacity in either the Public Transportation Account (PTA) or in the flexible fund sources (made up of the Transportation Investment Fund and the Transportation Facilities Account).
- ✓ In addition, the SHOPP will be constrained in the FE, with annual target capacity of approximately \$1.7 billion per year falling well below SHOPP needs of roughly \$6.3 billion per year.

PTA Programming:

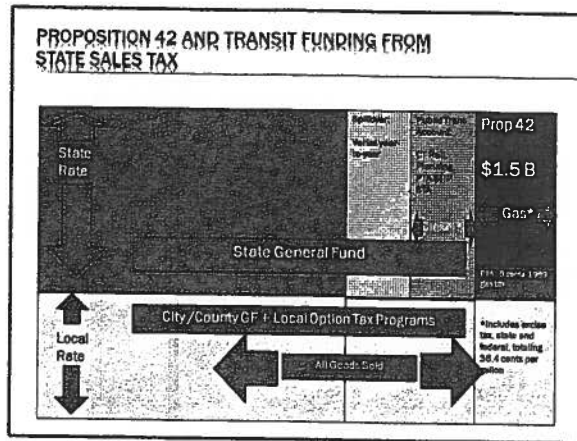
- ✓ The 2009-10 Budget Act and subsequent trailer bills significantly reduced PTA funding by diverting up to \$363 million in 2009-10 PTA resources and all the spillover revenue to the Mass Transportation Fund (MTF).
- ✓ PTA programming for the 2008 STIP will take precedence over the Department of Education's Home-to-School program. This assumption allows the 2010 FE to display sufficient funding for the entire PTA funded portion of the 2008 STIP.
- ✓ AB X4 10 mandates that all spillover revenues be transferred to the MTF from 2009-10 through 2012-13.
- ✓ SB X3 7 redirected STA transfers from 2009-10 through 2012-13 for the purposes of Section 9931.5 of the Public Utilities Code (non-STA).

GOVERNOR'S TAX COMMISSION

- ✱ **Commission on 21st Century Economy (COTCE).** On October 30, 2008, Governor Arnold Schwarzenegger signed Executive Order S-12-08 to create the bipartisan Commission on the 21st Century Economy to re-examine and modernize California's out-of-date revenue laws that contribute to our feast-or-famine state budget cycles.
- ✱ The 14 member commission met from January, 2009, through September 14, 2009.
- ✱ The tax commission recommendations were formally unveiled to the Governor and legislature on September 29, 2009. The Governor immediately called a Special Session and the Legislature has begun conducting hearings into the recommendations.
- ✱ Core concept of the recommendation is to reduce state volatility in key revenues by reducing the number of tax rates on income tax to 2, eliminating the corporate income tax and eliminating the state (not local) sales tax. The replacement revenues would be from a new tax referred to as the Business Net Receipts Tax (BNRT).
- ✱ This shift would be gradual over 5 years so that the legislature and Governor would be able to monitor tax neutrality and to ensure adequate revenues are maintained to meet state budget needs.

COTCE CONCEPTS, OVERVIEW

Changes to Current Law			COTCE Tax Proposals	
Personal Income Tax	Corporate Tax	State Sales Tax (not local)	Offset with:	New Tax "Blue Plan"
Fewer brackets			Revenue Neutral	15 cents gas tax to General fund, SHOPP and Local, with 7 cents per year index
Keep standard deduction	Eliminate	Eliminate		Business Net Receipts Tax
Retain other key deductions such as mortgage, property tax		(Retain sales tax on gas and diesel to fund Prop 42 and PTA)		



Minute Action

AGENDA ITEM: 24

Date: November 4, 2009

Subject: Execution of Agreements for the J.B. Hunt Alternative Fuel Project

Recommendation:*

1. Authorize the SANBAG Administrative Committee to approve Agreements with the Department of Energy (DOE), California Energy Commission (CEC), J.B. Hunt Transport Services, Inc., Gladstein, Neandross & Associates (GNA), and The Partnership (Administrator of the Southern California Clean Cities Program); and
2. Direct Staff to report to the SANBAG Board any actions taken by the SANBAG Administrative Committee.

Background: On August 26, 2009, Vice President Biden, along with DOE Secretary Chu, announced that SANBAG was successful in receiving funding from the Clean Cities' FY 09 Petroleum Reduction Technologies Projects for the Transportation Sector. The following week, the CEC announced that SANBAG was a recipient of an Assembly Bill 118 grant award, created and designed specifically to provide match funding to the DOE Clean Cities grant. These two grants total \$19.2 million and will be used towards the transition of 262 tractor/trailer vehicles to natural gas, as well as the construction of two natural gas fueling stations for J.B. Hunt Trucking. Other partners involved in project development and implementation include The Partnership (acting as the Southern California Clean Cities Coalition), GNA, the City of San Bernardino and the South Coast Air Quality Management District (AQMD).

Shortly after the DOE announcement, SANBAG was contacted by DOE staff and told that the DOE desired a funding agreement with SANBAG, to be executed by October 30th. SANBAG informed DOE Staff that the first opportunity to

*Approved
Board of Directors*

Date: November 4, 2009

Moved: *Second:*

In Favor: *Opposed:* *Abstained:*

Witnessed: _____

approve an Agreement would be at SANBAG's November 4, 2009 Board meeting. To accomplish this short turn around for contract execution, not only would the DOE agreement need to be final by mid October, the CEC agreement (as matching funds to the DOE grant) would also need to be executed at the same time, as well as the pass through funding agreements to J.B. Hunt, GNA and The Partnership. Those three pass through agreements cannot be finalized until the DOE and CEC grants are final, as the funding agreements are attached and its terms and conditions are referenced throughout the pass through agreements.

The CEC and DOE have been in constant contact with SANBAG since award announcements, providing their contractual terms and conditions, as well as other documentation needed to execute their agreements. SANBAG has forwarded draft statements of work and budgets to both agencies. However, to date, draft agreements have not been presented to SANBAG for review.

Should by November 11th, the CEC and DOE present agreements that are to the satisfaction of SANBAG and approved by SANBAG legal counsel and subcontractors, then Staff recommends that the Board direct the Administrative Committee to review and approve the two funding agreements and well as the three pass through agreements. Upon approval by all parties, Staff would return to the following Board meeting with the executed contracts for informational purposes, as well as a budget amendment to the FY 2009/2010 Budget. Should this deadline pass, then the next opportunity for the SANBAG Board to review and approve these contracts would be at the December 2, 2009, Board meeting.

Financial Impact: Staffing and expenses to assist with the oversight of the DOE and CEC grants, are included in the FY 2009/2010 Budget - Task Number 81210000. Funding: Measure I Transportation Management and Environmental Enhancement funding and Local Transportation Funds, Planning. Funding to recognize the DOE/CEC funding, as well as related expenditures, will be amended into the FY 2009/21010 Budget at a future SANBAG Board meeting.

Reviewed By: This item was reviewed by the Plans and Programs Committee on October 21, 2009, and reviewed by SANBAG Legal Counsel.

Responsible Staff: Michelle Kirkhoff, Director of Air Quality/Mobility Programs

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
 ■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 25

Date: November 4, 2009

Subject: Project Advancement Agreements – Continuation of Agreements for Projects that Failed to meet the Construction Initiation Deadline

Recommendation:* 1) Approve continuation of the following Project Advancement Agreements through January 1, 2014 on projects that failed to meet the construction initiation deadline:

- a. C07170- I-10 Riverside Avenue Interchange with City of Rialto
- b. C07099- Oak Glen Road widening from 2nd Street to Bryant Street with City of Yucaipa

2) Direct SANBAG staff to monitor and report progress on the above projects to the SANBAG Board of Directors.

Background: A strategy to advance SANBAG Nexus Study interchange, arterial, and grade separation projects to construction prior to the availability of Measure I 2010-2040 revenues was approved by the Board in December 2005. A model interagency agreement to implement the program was approved by the Board in April 2006. Subsequently, the Board approved nineteen project advancement agreements for various freeway interchange and major street projects with a construction initiation deadline of January 1, 2008.

In December 2007, the Board approved an extension of the construction initiation deadline from January 1, 2008 to January 1, 2009 for projects that could not meet the January 1, 2008 deadline.

*

*Approved
Board of Directors*

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

As of October 2009, the following three projects with executed project advancement agreements have not initiated construction:

1. City of Fontana: I-15 Duncan Canyon Road Interchange
2. City of Rialto: I-10 Riverside Avenue Interchange
3. City of Yucaipa: Oak Glen Road widening from 2nd Street to Bryant Street

Each project advancement agreement states that SANBAG reserves the right to terminate the agreement if the city fails to initiate construction prior to the deadline. The City of Fontana has requested the Project Advancement Agreement for the Duncan Canyon interchange project not be extended. The City may seek to enter into an Advance Expenditure Agreement for the project at a later time, but the action recommended in this agenda item does not terminate the current project advancement agreement with the City. Termination, if needed, would occur in a later action coincident with or prior to the execution of an Advance Expenditure Agreement. The City has been advised that execution of an Advance Expenditure Agreement cannot be guaranteed, given that it would require a future action of the Board.

Staff recommends that the remaining two agreements be continued through January 1, 2014 and that SANBAG staff be directed to monitor and report progress on the above projects to the Board. The Riverside/I-10 interchange project is scheduled to begin construction in January 2010, and the Oak Glen Road project is scheduled to begin construction in Spring, 2010. Cities holding these agreements will be notified of the continuation of the agreements should the Board approve this action. No amendments to the agreements are necessary.

Financial Impact: This item is consistent with SANBAG's Fiscal Year 2009-2010 Budget. SANBAG reimbursement for eligible costs pursuant to these agreements will occur at a future time consistent with Project Advancement Program policies established by the SANBAG Board of Directors.

Reviewed By: This item was recommended for approval by the Plans and Programs Committee on October 21, 2009. (Supervisors Biane and Mitzelfelt opposed this item) (Vote: 7-2-0)

Responsible Staff: Philip Chu, Transportation Programming Analyst
Ty Schuiling, Director of Planning and Programming

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 26

Date: November 4, 2009

Subject: Model Project Funding Agreement for use in the Measure I 2010-2040 Valley Freeway Interchange Program, Valley Grade Separation Sub-program, and Mountain/Desert Major Local Highways Programs

Recommendation:*

- 1) Approve the Model Project Funding Agreement for use in the Measure I 2010-2040 Valley Freeway Interchange Program, Valley Grade Separation Sub-program, and Mountain/Desert Major Local Highways Programs (Attachment 1)
- 2) Recognize that reimbursements under Project Funding Agreements must be subordinate to debt service on bonds sold to deliver SANBAG-sponsored projects.
- 3) Project Funding Agreements will only be recommended for approval after evaluation of their impact to SANBAG's overall financial strength and stability through the annual Measure I apportionment and allocation process.

Background: The adopted Measure I 2010-2040 Strategic Plan Policies 40001, 40013 and 40017 state that a local jurisdiction may begin expenditure of funds on the referenced projects after the execution of a Project Funding Agreement by both SANBAG and the jurisdiction. This applies to projects that have received an allocation of Measure I funding in the Valley Freeway Interchange Program, the Valley Rail-Highway Grade Separation Sub-

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Approved
Board of Directors

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

program, and the Major Local Highways Programs in the Mountain/Desert subareas. Allocations of Measure I funds are to be approved through the annual apportionment and allocation process established in the Strategic Plan, and allocations will be made only after evaluation of each project's impact to SANBAG's overall financial strength and stability. The Model Project Funding Agreement was presented to the Major Projects Committee and Mountain/Desert Committee, as information only, at the September committee meetings. The Transportation Technical Advisory Committee reviewed proposed revisions to the agreement at its October 5 meeting. The revisions had been developed through direct discussions with County transportation and legal staff, and additional input was received through the full TAC. Several additional revisions were made in response to comments received following the preparation of the agenda item for the October Major Projects Committee and Mountain/Desert Committee. The Model Project Funding Agreement is presented in "track changes" mode so that revisions made since the September version can be easily identified.

It was agreed at both the Major Projects Committee and Mountain/Desert Committee meetings that the clause pertaining to the subordination of the agreement to debt service obligations of SANBAG would be discussed at the November 4 Board meeting. The clause to be discussed is in Section III.9:

This Agreement is expressly subordinated to any bonds, notes, certificates or other evidences of indebtedness involved in bond financings as are now outstanding or as may hereafter be issued by SANBAG.

The primary concern expressed by the County of San Bernardino pertains to the use of the phrase "or as may hereafter be issued," which would make payments to local jurisdictions subsidiary to debts that are as yet unknown. SANBAG staff and legal counsel will discuss this issue at the Board meeting.

The Project Funding Agreement is a cooperative agreement between SANBAG and the agency sponsoring one of the above-referenced projects. The Project Funding Agreement establishes roles, responsibilities, terms and financial commitments for each agency involved in the project. One agreement is executed between SANBAG and

the sponsoring agency for each project. Each agreement contains the scope, public share commitment and development mitigation commitment, where applicable, for the phase of the project in receipt of an allocation of funding. As future phases of the project are awarded public share funding, the agreement is amended to specify project scope, public share and development mitigation commitments. Both the City Council/Board of Supervisors representing the sponsoring agency and SANBAG must approve the Project Funding Agreement and each subsequent amendment. The intent is to adapt the model Project Funding Agreement to the specific project and funding program. In the Mountain/Desert area, this may include the modification of references to development mitigation and adaptation to projects located outside the geographic area to which the SANBAG Development Mitigation Nexus Study applies.

For freeway interchange projects in the Valley, the sponsoring agency is required to provide a copy of a fully executed Development Mitigation Cooperative Agreement to be included with the Project Funding Agreement. The Development Mitigation Cooperative Agreement provides guarantees by the lead agency prior to any expenditure of Measure I funds on a project that the requisite amount of development mitigation is available from all contributing agencies as outlined in the Nexus Study. Each City Council/Board of Supervisors representing a contributing agency will be required to execute the Development Mitigation Cooperative Agreement prior to the approval of the Project Funding Agreement. Alternatively, the sponsoring agency may provide to SANBAG a city council/Board of Supervisors resolution committing to funding the full development share.

A Development Mitigation Cooperative Agreement is not explicitly required for interchanges in the Victor Valley. However, to demonstrate the availability of development mitigation funding on interchange projects per Strategic Plan Policy 40013/VVMLH-5, it will be important to execute some form of a written agreement among the participating jurisdictions. This will also prevent future misunderstanding regarding mutual commitments to development mitigation. If the lead agency is assuming 100% responsibility for development mitigation on an interchange project, a city council resolution from the jurisdiction must be provided to SANBAG committing to full funding of the development share. The minimum local jurisdiction development share is fixed by the Nexus Study. Within that fixed overall percentage, there is flexibility for

jurisdictions to modify their individual shares on multi-jurisdictional projects. However, any modifications to jurisdiction percentages of development responsibility on individual projects in the Major Local Highways program will need to be documented as part of the Capital Project Needs Analysis, per Policy VVMLH-5.

Financial Impact:

This item is consistent with the approved FY 09/10 budget.

Reviewed By:

This item was reviewed by the Major Projects Committee on October 15, 2009 and the Mountain/Desert Committee on October 16. It was placed on the Board discussion calendar to provide additional information on the bond subordination clause in the model Project Funding and Advance Expenditure Agreements, per request of the committees.

Responsible Staff:

Ty Schuiling, Director of Planning and Programming

ATTACHMENT 1: Model Project Funding Agreement

**PROJECT FUNDING AGREEMENT NO. _____
BETWEEN**

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

AND

CITY/COUNTY OF _____

FOR

**_____ (Phase of the project) _____ for a
_____ (PROJECT) _____ in the City/County of _____**

THIS AGREEMENT is made and entered into this _____ day of _____ by and between the San Bernardino County Transportation Authority (hereinafter referred to as "SANBAG") and the City/County of _____ (hereinafter referred to as "CITY/COUNTY").

WITNESSETH

WHEREAS, the Measure I 2010-2040 Expenditure Plan, the SANBAG Nexus Study, and planning conducted by the rural Mountain/Desert subareas identified freeway interchange, Major Local Highway Program arterial road, and rail-highway grade separation projects eligible for partial funding from Measure I 2010-2040 revenues; and

WHEREAS, this Project Funding Agreement is to be carried out in accordance with the policies in the Measure I 2010-2040 Strategic Plan; and

WHEREAS, SANBAG has determined that this PROJECT and expenditure phase are included in the SANBAG Nexus Study or are approved by the SANBAG Mountain/Desert Committee and are eligible to receive Measure I 2010-2040 Valley Freeway Interchange Program, Valley Major Streets- Rail- Highway Grade Separation Sub Program, or Mountain/Desert Major Local Highway Program funds; and

WHEREAS, CITY/COUNTY wishes to be the lead agency on the _____ Phase of the PROJECT _____; and

WHEREAS, SANBAG and CITY/COUNTY are entering into this Agreement with the understanding that SANBAG will reimburse CITY/COUNTY for eligible PROJECT

PHASE expenditures with Measure I 2010-2040 Valley Freeway Interchange Program, Valley Major Streets- Rail- Highway Grade Separation Sub Program, or Mountain/Desert Major Local Highways Program funds;

NOW, THEREFORE, SANBAG and CITY/COUNTY agree to the following:

SECTION I

SANBAG AGREES:

- ~~1. To reimburse CITY/COUNTY for those eligible PROJECT expenses that are incurred by CITY/COUNTY for the PROJECT-specific work activities, as set forth in Attachment A to this Agreement and as governed by the policies in the Measure I 2010-2040 Strategic Plan. Said reimbursement amount shall not exceed _____, which represents _____% of estimated costs for the PROJECT as stated in Attachment A. Amendments to this reimbursement amount may be made by mutual agreement between SANBAG and CITY/COUNTY.~~
12. To reimburse CITY/COUNTY, subject to Article 1 of this Section I, on a monthly basis and within 30 days after CITY/COUNTY submits to SANBAG an original and two copies of the signed invoices in the proper form covering those actual allowable PROJECT PHASE expenditures that were incurred by CITY/COUNTY, consistent with the invoicing requirements of the Measure I 2010-2040 Strategic Plan, including backup information. Invoices may be submitted to SANBAG as frequently as monthly.
23. Allocations to a Valley Freeway Interchange project shall be limited to the current phase of the project. However, an allocation of funds to the Project Approval and Environmental Documentation (PA&ED) phase or to a subsequent phase prior to construction shall represent a commitment by SANBAG to timely funding of the public share of the project through construction, subject to the availability of Measure I, State, and federal funds.
34. When conducting an audit of the costs claimed under the provisions of this Agreement, to rely to the maximum extent possible on any prior audit of CITY/COUNTY performed pursuant to the provisions of State and Federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to SANBAG when planning and conducting additional audits.

SECTION II

CITY/COUNTY AGREES:

1. Subject to Article 1 of Section I, that only eligible PROJECT-specific work activities, as set forth in Attachment A to this Agreement, ~~which are for transportation purposes that conform to the SANBAG Nexus Study (or for rural Mountain/Desert subareas, are approved by the SANBAG Mountain/Desert Committee), will be eligible for Measure I reimbursement. CITY/COUNTY agrees that it will only request reimbursement for eligible PROJECT specific work activities.~~
2. ~~To abide by all SANBAG, State and, if applicable, Federal policies, regulations, and procedures pertaining to the PROJECT, including policies pertaining to the PROJECT in the Measure I 2010-2040 Strategic Plan.~~
- 3.2. To prepare and submit to SANBAG an original and two copies of signed invoices for reimbursement of those eligible PROJECT expenses according to the requirements specified in Attachment A. ~~CITY/COUNTY further agrees and understands that SANBAG will not reimburse CITY/COUNTY for any PROJECT expenditures that are not described in the PROJECT specific work activities.~~Invoices may be submitted to SANBAG as frequently as monthly.
- 4.3. To repay to SANBAG any reimbursement for Measure I costs that are determined by subsequent audit to be unallowable within ~~thirty-ninety (9030)~~ days of CITY/COUNTY receiving notice of audit findings, which time shall include an opportunity for CITY/COUNTY to respond to and/or resolve the finding. Should the finding not be otherwise resolved and CITY/COUNTY fail to reimburse moneys due SANBAG within ~~thirtyninety (9030)~~ days of ~~demand~~audit finding, or within such other period as may be agreed between both parties hereto, the SANBAG Board reserves the right to withhold future payments due CITY/COUNTY from any source under SANBAG's control.
- 5.4. ~~That the~~To provide ___% share of funding for which CITY/COUNTY is responsible ~~will come from CITY's development impact fees or other source of development contribution as required by the Development Mitigation Nexus Study (Appendix K of the SANBAG Congestion Management Program CMP) and Appendix J of the CMP or from a loan of funds to the CITY's/COUNTY's development impact fee account.~~total eligible PROJECT PHASE expenses which represents the development share.
- 6.5. (This paragraph applies only if the ~~project~~PROJECT is an interchange with development mitigation responsibility shared among two or more jurisdictions – language will need to allow for specific terms and conditions negotiated by participating agencies to respond to individual project circumstances) To execute and maintain a development mitigation cooperative agreement with _____ for its share of development mitigation as required by the

SANBAG Measure I 2010-2040 Strategic Plan, and to be responsible for collecting the development mitigation based on that agreement. Alternatively, the CITY/COUNTY may provide to SANBAG a city council/Board of Supervisors resolution committing to funding the full development share.

- ~~7.6.~~ To maintain all source documents, books and records connected with its performance under this Agreement for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SANBAG or until audit resolution is achieved, whichever is later, and to make all such supporting information available for inspection and audit by representatives of SANBAG. Copies will be made and furnished by CITY/COUNTY upon request, ~~but in no case less than five (5) years from the date of final reimbursement payment, if said reimbursement occurs under this Agreement.~~
- ~~8.7.~~ To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support CITY/COUNTY request for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT work elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, indirect cost allocation ~~(based on an approved indirect cost allocation plan)~~, and other allowable expenditures by CITY/COUNTY.
- ~~9.8.~~ To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT costs expended for those activities described in the work activities, and to submit that Report and invoice no later than 120 ~~60~~ days following the completion of those expenditures. The Final Report of Expenditures, an original and two copies of which report shall be submitted to SANBAG, must state that these PROJECT funds were used in conformance with this Agreement and for those PROJECT-specific work activities described.
- ~~10.9.~~ To have a PROJECT-specific audit completed by SANBAG, at SANBAG's option, upon completion of the PROJECT. The audit must state that all funds expended on the PROJECT were used in conformance with this Agreement.
- ~~11.10.~~ To include SANBAG in Project Development Team (PDT) meetings, if and when such meetings are held, and related communications on project progress and to provide at least quarterly schedule updates to SANBAG. SANBAG ~~contact shall be~~ (title) shall assign a project liaison for the purpose of attending PDT meetings.
- ~~12.11.~~ As an eligible PROJECT expense, to post signs when PROJECT begins construction on ends of at the boundaries of the PROJECT noting that PROJECT is funded with Measure I funds. Signs shall bear the logos of San Bernardino Associated Governments and CITY/COUNTY of _____.

SECTION III

IT IS MUTUALLY AGREED:

1. To abide by all applicable federal, state and local laws and regulations pertaining to the PROJECT PHASE, including policies in the applicable program in the Measure I 2010-2040 Strategic Plan, as amended, as of the date of execution of this agreement.
2. SANBAG's financial responsibility shall be not exceed ____ % of eligible expenditures as listed in actual cost, subject to the provisions of Section III, Paragraphs 3 through 6. An estimate of costs for the PROJECT PHASE is provided in Attachment A.
3. The final PROJECT cost may ultimately exceed current estimates of PROJECT cost. Any additional eligible costs resulting from increased bid/contract prices or change orders arising from unforeseen conditions, including Utility relocation, over the estimated total of the PROJECT cost of \$ _____, shall be borne by each Party in proportion to the public and development shares, as part of the Parties' respective obligations to pay the cost for the PROJECT PHASE, subject to Section III, Paragraphs 4 through 6.
4. CITY/COUNTY shall notify SANBAG of the bids/contract received and the amounts thereof. Within ten (10) days thereafter, CITY/COUNTY and SANBAG shall determine the cost of the PROJECT PHASE.
5. If, after opening bids/negotiation of contract for the PROJECT PHASE, it is found that a cost overrun of ____ % or less of the estimated cost of the PROJECT PHASE will occur, CITY/COUNTY may award the contract and notwithstanding any provision herein to the contrary the CITY/COUNTY and SANBAG shall pay for the cost overrun in the same proportion to their contribution for the PROJECT PHASE. [Note: percentages will vary by phase: 25% for PA&ED, 15% for PS&E, 25% for right-of-way, and 10% for construction].
- ~~4.6.~~ If, upon opening of bids/negotiation of contract for the PROJECT PHASE, it is found that a cost overrun exceeding 25 % of the estimated PROJECT PHASE costs will occur, CITY/COUNTY may award the contract; however, SANBAG shall not be responsible for any cost in excess of 25 % of the

estimated PROJECT PHASE cost, unless SANBAG Board approves an additional allocation.

~~2.7.~~ Eligible PROJECT reimbursements shall include only those costs incurred by CITY/COUNTY for PROJECT-specific work activities that are described in this Agreement and shall not include escalation or, ~~interest, or other fees.~~

~~3.8.~~ Neither SANBAG nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by CITY/COUNTY under or in connection with any work, authority or jurisdiction delegated to CITY/COUNTY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY/COUNTY shall fully defend, indemnify and save harmless SANBAG, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY/COUNTY under or in connection with any work, authority or jurisdiction delegated to CITY/COUNTY under this Agreement. CITY/COUNTY's indemnification obligation applies to SANBAG's "active" as well as "passive" negligence but does not apply to SANBAG's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782. CITY/COUNTY and SANBAG are authorized self-insured public entities for purposes of Professional Liability, General Liability, Automobile Liability and Workers' Compensation and warrant that through their respective programs of self insurance, they have adequate coverage or resources to protect against liabilities arising out of the performance of the terms, conditions or obligations of this agreement.

~~4.9.~~ ~~T~~This Agreement is expressly subordinated to any bonds, notes, certificates or other evidences of indebtedness involved in bond financings as are now outstanding or as may hereafter be issued by SANBAG.

~~5.10.~~ This Agreement will be considered terminated upon reimbursement of eligible costs by SANBAG. The Agreement may also be terminated by SANBAG, in its sole discretion, in the event ~~contracts for the project work described in Attachment A have~~ has not been initiated or let by CITY/COUNTY within ~~twelve-twelve (12) months of the date of execution of this Agreement and if CITY/COUNTY fails to diligently proceed with the project work.~~

11. The terms of this Agreement represent the consent of the CITY/COUNTY to provide the full development share for the PROJECT required by the SANBAG Nexus Study and that failure to contribute the development share according to the terms of this agreement does not obligate SANBAG to provide supplemental funds or otherwise remedy that failure. SANBAG may terminate ~~or modify~~ this agreement if the CITY/COUNTY fails to perform according to the terms of this Agreement and if this failure jeopardizes the delivery of the PROJECT according to the terms herein.

[Note: Any agreement for advance reimbursement under Policy 40005/VFI-5 will be included here]

12.

**San Bernardino County
Transportation Authority**

CITY/COUNTY of

By: _____

President, SANBAG Board of
Directors

By: _____

Mayor

Date: _____

Date: _____

APPROVED AS TO FORM AND
PROCEDURE:

APPROVED AS TO FORM AND
PROCEDURE:

By: _____

Jean-Rene Basle
SANBAG County Counsel

By: _____

CITY/COUNTY Attorney

Date: _____

Date: _____

Attachment A

(Project Phase Description)

Project Phase Scope, Cost, and Schedule

Proposed Project Phase Work:

Summary of Project Phase Costs (Estimate):

Total Project Phase Cost \$

Proposed Project Phase Schedule (milestone delivery dates):

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 27

Date: November 4, 2009

Subject: Model Advance Expenditure Agreement for the Measure I 2010-2040 Valley Freeway Interchange Program, Valley Rail-Highway Grade Separation Sub-program, and Victor Valley Major Local Highways Program

Recommendation:*

- 1) Approve the Model Advance Expenditure Agreement for the Measure I 2010-2040 Valley Freeway Interchange Program, Valley Rail-Highway Grade Separation Sub-program, and the Victor Valley Major Local Highways Program (Attachment 1)
- 2) Recognize that reimbursements under Advance Expenditure Agreements must be subordinate to debt service on bonds sold to deliver SANBAG-sponsored projects.
- 3) Advance Expenditure Agreements will only be recommended for approval after evaluation of their impact to SANBAG's overall financial strength and stability through the annual Measure I apportionment and allocation process.

Background: The Advance Expenditure (AE) process was established in the Measure I 2010-2040 Strategic Plan to provide reimbursement or credit to local jurisdictions that wish to deliver Nexus Study projects with local resources in advance of an allocation of Measure I funds. Local jurisdictions that wish to take advantage of this option may request to be reimbursed for the public share of an advanced project's cost at such time as Measure I funds

*

*Approved
Board of Directors*

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

are available through the applicable program. Alternatively, the local jurisdiction may request to have the public share cost credited toward an equal development share cost for one or more subsequent projects.

The Model Project Funding Agreement was presented to the Major Projects Committee and Mountain/Desert Committee, as information only, at the September committee meetings. The Transportation Technical Advisory Committee reviewed proposed revisions to the Advance Expenditure Agreement at its October 5 meeting. The revisions had been developed through direct discussions with County transportation and legal staff, and additional input was received through the full TAC. Several additional revisions were made in response to comments received following the preparation of the agenda item for the October Major Projects Committee and Mountain/Desert Committee. The Model Advance Expenditure Agreement is presented in "track changes" mode so that revisions from the September version can be easily identified.

It was agreed at both the Major Projects Committee and Mountain/Desert Committee meetings that the clause pertaining to the subordination of the agreement to debt service obligations of SANBAG would be discussed at the November 4 Board meeting. The clause to be discussed is in Section III.5:

This Agreement is expressly subordinated to any bonds, notes, certificates or other evidences of indebtedness involved in bond financings as are now outstanding or as may hereafter be issued by SANBAG.

The primary concern expressed by the County of San Bernardino pertains to the use of the phrase "or as may hereafter be issued," which would make payments to local jurisdictions subsidiary to debts that are as yet unknown. SANBAG staff and legal counsel will discuss this issue at the Board meeting.

The Measure I 2010-2040 Strategic Plan includes Policy 40002 pertaining to the Advance Expenditure (AE) process for the San Bernardino Valley Subarea and Policy 40011 pertaining to the AE process for the Victor Valley. The policies state that, subject to SANBAG Board approval, local jurisdictions may begin expenditure of funds after the execution of an Advance Expenditure Agreement (AEA) for projects in the pertinent Valley and Victor Valley programs. Reimbursement of Measure I funds,

or credit applied to other projects, would then occur at a later date, subject to the provisions in Policies 40002 and 40011. This model agreement would be adapted for use to the specific project scopes and funding programs to which it applies. In the Mountain/Desert area, this may include the modification of references to development mitigation and adaptation to projects located outside the geographic area to which the SANBAG Development Mitigation Nexus Study applies. Any funds expended by a local jurisdiction on a project prior to the execution of the AEA are not eligible for reimbursement or credit.

The AEA establishes agency roles, responsibilities and financial commitments. One agreement would be executed between SANBAG and the sponsoring agency for the entire project. The agreement contains the scope of work, development mitigation commitment and public share of the cost to be reimbursed by SANBAG. As the sponsoring agency begins each subsequent phase of a project, the agreement would be amended to update the project scope, development mitigation commitments and public share of the cost to be reimbursed by SANBAG.

Reimbursement of advance expenditures will be considered in the annual apportionment process by the SANBAG Board so that jurisdictions have an estimate of the reimbursement available for budgeting purposes for the coming fiscal year. Credit to be applied to a subsequent project may only be reimbursed when the subsequent project is authorized for activity by the SANBAG Board, in accordance with the reimbursement policies established in the Strategic Plan. Each AEA and any allocation for later reimbursement will be approved by the Board after a full financial impact analysis of the project is completed. It is also recognized that reimbursement or credit for AEAs must be subordinate to debt service on bonds sold to deliver SANBAG- sponsored projects.

Financial Impact:

This item is consistent with the approved FY 09/10 budget, Task No. 60910000.

Reviewed By:

This item was reviewed by the Major Projects Committee on October 15, 2009 and the Mountain/Desert Committee on October 16. It was placed on the Board discussion calendar to provide additional information on the bond subordination clause in the model Project Funding and Advance Expenditure Agreements, per request of the committees.

Responsible Staff:

Ty Schuiling, Director of Planning and Programming

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60910000
Attachment: brd0911c1pc

ATTACHMENT 1: Model Advance Expenditure Agreement

ADVANCE EXPENDITURE AGREEMENT NO. _____
BETWEEN

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

AND

CITY/COUNTY OF _____

FOR

_____ (Phase of the project) _____ for a _____ (Project) _____ in
the CITY/COUNTY of _____

THIS AGREEMENT is made and entered into this _____ day of _____ by
and between the San Bernardino County Transportation Authority (hereinafter referred to
as "SANBAG") and the City/County of _____ (hereinafter referred to as "CITY"/
"COUNTY").

WITNESSETH

WHEREAS, the Measure I 2010-2040 Expenditure Plan, the SANBAG Nexus Study, and
planning conducted by the rural Mountain/Desert subareas identified freeway
interchange, ~~arterial highway, Major Local Highway Program arterial road,~~ and rail-
highway grade separation projects eligible for partial funding from Measure I 2010-2040
revenues; and

WHEREAS, this Advance Expenditure Agreement is to be carried out in accordance with
the policies in the Measure I 2010-2040 Strategic Plan; and

WHEREAS, SANBAG has determined that this PROJECT and expenditure phase are
included in the SANBAG Nexus Study or, are approved by the SANBAG
Mountain/Desert Committee and are eligible to receive Measure I 2010-2040 Valley
Freeway Interchange Program, Valley Major Streets- Rail-Highway Grade Separation
Sub-program, or Mountain/Desert Major Local Highway Program funds; and

WHEREAS, CITY/COUNTY wishes to begin _____ phase of the PROJECT prior to
Measure I funds being available for this project; and

WHEREAS, SANBAG and CITY/COUNTY are entering into this Agreement with the
understanding that SANBAG will reimburse CITY/COUNTY for eligible PROJECT
PHASE expenditures with Measure I 2010-2040 Valley Freeway Interchange Program,

Valley Major Streets- Rail- Highway Grade Separation Sub-Program, or Mountain/Desert Major Local Highways Program funds or other funds under SANBAG control according to Measure I Strategic Plan Policies 40002 or 40011, as applicable; and

WHEREAS, since revenue from Measure I 2010-2040 is limited, SANBAG and CITY/COUNTY are entering into this Agreement which will allow CITY/COUNTY to use its own funds to implement the PROJECT in advance of an allocation of Measure I funds, with the understanding that SANBAG will reimburse CITY/COUNTY for SANBAG share of eligible PROJECT expenditures at a later date in accordance with the Advance Expenditure Agreement (AEA) reimbursement policy in the Measure I 2010-2040 Strategic Plan policy 40002 or 40011, as applicable (POLICY).

NOW, THEREFORE, SANBAG and CITY/COUNTY agree to the following:

SECTION I

SANBAG AGREES:

1. To reimburse CITY/COUNTY for _____ phase of those eligible PROJECT expenses that are incurred by CITY/COUNTY for the PROJECT specific work activities, as set forth in Attachment A to this Agreement and as governed by ~~the policies~~ the POLICY in the Measure I 2010-2040 Strategic Plan, as amended, as of the date of execution of this agreement. ~~Said reimbursement amount shall be _____% of actual cost but shall not exceed _____, which represents _____% of estimated costs for the PROJECT as stated in Attachment A.~~ Amendments to this reimbursement amount may be made by mutual agreement between SANBAG and CITY/COUNTY.
2. ~~Reimbursement~~ If requested by CITY/COUNTY, reimbursement for projects in the Valley and Victor Valley may also be taken as credit for the same amount against the development share of one or more subsequent projects within the same Measure I program. The credit may not be taken sooner than the reimbursement would have otherwise been made for the PROJECT. SANBAG shall begin accounting for the credit upon receipt by the SANBAG Executive Director of a resolution by the City Council/Board of Supervisors that reimbursement be through a credit process. ~~The advanced funds shall have been from a development mitigation source in order for the credit to be earned.~~
3. To reimburse CITY/COUNTY, subject to Article 1 of this Section I, in accordance with the POLICY and after CITY/COUNTY submits to SANBAG an original and two copies of the signed invoices in the proper form covering those actual allowable PROJECT expenditures that were incurred by CITY/COUNTY.

4. When conducting an audit of the costs claimed under the provisions of this Agreement, to rely to the maximum extent possible on any prior audit of CITY/COUNTY performed pursuant to the provisions of State and Federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to SANBAG when planning and conducting additional audits.

SECTION II

CITY/COUNTY AGREES:

1. That only eligible PROJECT-specific work activities, as set forth in Attachment A to this Agreement, ~~which are for transportation purposes that~~ conform to the SANBAG Nexus Study (or for rural Mountain/Desert subareas, are approved by the SANBAG Mountain/Desert Committee) will be eligible for Measure I reimbursement or credit. CITY/COUNTY agrees that it will only request reimbursement or credit for eligible PROJECT-specific work activities and that reimbursement/ credit will occur based on timelines governed by the policies pertaining to Advance Expenditure Agreements in the Measure I 2010-2040 Strategic Plan Policies 40002 or 40011, as applicable.
- ~~2. To abide by all SANBAG, State and, if applicable, Federal policies, regulations, and procedures pertaining to the PROJECT, including policies pertaining to the PROJECT in the Measure I 2010-2040 Strategic Plan.~~
- ~~3.2.~~ To prepare and submit to SANBAG an original and two copies of signed invoices for reimbursement or credit of those eligible PROJECT expenses according to the requirements specified in Attachment A. CITY/COUNTY further agrees and understands that SANBAG will not reimburse or credit CITY/COUNTY for any PROJECT expenditures that are not described in the PROJECT-specific work activities or that are in excess of the amount specified in Article 1 of section I. Invoices shall be provided to SANBAG when credit is requested by the CITY/COUNTY as well as for direct reimbursement.
- ~~4.3.~~ To repay to SANBAG any reimbursement for Measure I costs that are determined by subsequent audit to be unallowable within ~~thirty ninety (3090)~~ thirty ninety (3090) days of CITY/COUNTY receiving notice of audit findings, which time shall include an opportunity for CITY/COUNTY to respond to and/or resolve the finding. Should the finding not be otherwise resolved and CITY/COUNTY fail to reimburse moneys due SANBAG within ninety (3090) days of ~~demand~~ audit finding, or within such other period as may be agreed between both parties hereto, the SANBAG Board reserves the right to withhold future payments due CITY/COUNTY from any source under SANBAG's control.

4. To provide % share of total eligible PROJECT PHASE expenses which represents the development share. Any credited funds per Section I.2 shall have been from a development mitigation source or from an internal loan consistent with Policy 40005/VFI-24, 40013/VVMLH-10, or 40017/MDMLH-8 (as appropriate to the program) in order for the credit to be earned.
5. ~~That the % share of funding for which CITY/COUNTY is responsible will come from CITY/COUNTY's development impact fees or other source of development contribution as required by the Development Mitigation Nexus Study (Appendix K of the SANBAG Congestion Management Program - CMP) and Appendix J of the CMP or from a loan of funds to the CITY/COUNTY's development impact fee account.~~
- 6.5. (This paragraph applies only if the ~~project~~ PROJECT is an interchange with development mitigation responsibility shared among two or more jurisdictions – language will need to allow for specific terms and conditions negotiated by participating agencies to respond to individual project circumstances) To execute and maintain a development mitigation cooperative agreement with for its share of development mitigation as required by the SANBAG Measure I 2010-2040 Strategic Plan, and to be responsible for collecting the development mitigation based on that agreement, where applicable. Alternatively, the CITY/COUNTY may provide to SANBAG a city council/Board of Supervisors resolution committing to funding the full development share.
- 7.6. To maintain all source documents, books and records connected with its performance under this Agreement for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SANBAG or until audit resolution is achieved, whichever is later, and to make all such supporting information available for inspection and audit by representatives of SANBAG. Copies will be made and furnished by CITY/COUNTY upon request.
- 8.7. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support CITY/COUNTY request for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT work elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, indirect cost allocation ~~(based on an approved indirect cost allocation plan)~~, and other allowable expenditures by CITY/COUNTY.
- 9.8. To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT costs expended for those activities described in the work activities, and to submit that Report and invoice no later than ~~60~~ 120 days following the completion of those expenditures. The Final Report of Expenditures, an original and two copies of which report shall be submitted to SANBAG, must state that these PROJECT funds were used in conformance

with this Agreement and for those PROJECT-specific work activities described.

- ~~10.9.~~ To have a PROJECT-specific audit completed by SANBAG, at SANBAG's option, or an audit as described in Section I Article 4 upon completion of the PROJECT. The audit must state that all funds expended on the PROJECT were used in conformance with this Agreement.
- ~~11.10.~~ To include SANBAG in Project Development Team (PDT) meetings, if and when such meetings are held, and related communications on project progress and to provide at least quarterly schedule updates to SANBAG. SANBAG contact shall be _____ (title).
- ~~12.11.~~ As an eligible PROJECT expense, To to post signs when PROJECT begins construction at the boundaries of the PROJECT noting that PROJECT is funded with Measure I funds. Signs shall bear the logos of San Bernardino Associated Governments and CITY/COUNTY of _____.

SECTION III

IT IS MUTUALLY AGREED:

1. To abide by all applicable federal, state and local laws and regulations pertaining to the PROJECT, including policies in the applicable program in the Measure I 2010-2040 Strategic Plan, as amended, as of the date of execution of this agreement.
- ~~1.2.~~ SANBAG's financial responsibility shall not exceed ____% of eligible expenditures as listed in Attachment A. Reimbursement or credit for a PROJECT PHASE shall be limited to the public share of the estimated cost of the PROJECT PHASE for which funds have been allocated by the SANBAG Board, or to the actual cost, whichever is less. The Agreement shall be amended by PROJECT PHASE, if applicable, to incorporate the project cost information included in the most current Board-adopted version of the Nexus Study or in the estimate approved by the SANBAG Mountain/Desert Committee in geographic areas the Nexus Study does not cover.
- ~~2.3.~~ Eligible PROJECT reimbursements shall include only those costs incurred by CITY/COUNTY for PROJECT-specific work activities that are described in this Agreement and shall not include escalation, or interest, or other fees.
4. Neither SANBAG nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by CITY/COUNTY in connection with the PROJECT or under or in connection with any work, authority or jurisdiction delegated to CITY/COUNTY under this Agreement. It is understood and agreed that,

pursuant to Government Code Section 895.4, CITY/COUNTY shall fully defend, indemnify and save harmless SANBAG, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) or damage occurring by reason of anything done or omitted to be done by CITY/COUNTY under or in connection with any work, authority or jurisdiction delegated to CITY/COUNTY under this Agreement. CITY/COUNTY's indemnification obligation applies to SANBAG's "active" as well as "passive" negligence but does not apply to SANBAG's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782. CITY/COUNTY and SANBAG are authorized self-insured public entities for purposes of Professional Liability, General Liability, Automobile Liability and Workers' Compensation and warrant that through their respective programs of self insurance, they have adequate coverage or resources to protect against liabilities arising out of the performance of the terms, conditions or obligations of this agreement.

3. _____

4.5. _____ This Agreement is expressly subordinated to any bonds, notes, certificates or other evidences of indebtedness involved in bond financings as are now outstanding or as may hereafter be issued by SANBAG.

5.6. _____ This Agreement will be considered terminated upon reimbursement of eligible costs by SANBAG. The Agreement may also be terminated by SANBAG, in its sole discretion, in the event ~~contracts for~~ the project work described in Attachment A ~~have~~ has not been initiated or let by CITY/COUNTY within twenty-four (24) months of the date of execution of this Agreement.

6.7. _____ The terms of this Agreement represent the consent of the CITY/COUNTY to provide the full development share for the PROJECT required by the SANBAG Nexus Study and that failure to contribute the development share according to the terms of this agreement does not obligate SANBAG to provide supplemental funds or otherwise remedy that failure. SANBAG may terminate or modify this agreement if the CITY/COUNTY fails to perform according to the terms of this Agreement and if this failure jeopardizes the delivery of the PROJECT according to the terms herein.

San Bernardino County
Transportation Authority

CITY/COUNTY of

By: _____

President, SANBAG Board of
Directors

Date: _____

APPROVED AS TO FORM AND
PROCEDURE:

By: _____

Jean-Rene Basle
SANBAG County Counsel

Date: _____

By: _____

Mayor

Date: _____

APPROVED AS TO FORM AND
PROCEDURE:

By: _____

CITY/COUNTY Attorney

Date: _____

Attachment A

| **(Project Phase Description)**

| **Project Phase Scope, Cost, and Schedule**

| **Proposed Project Phase Work:**

| **Summary of Project Phase Costs (Estimate):**

| **Total Project Phase Cost \$**

| **Proposed Project Phase Schedule (milestone delivery dates):**

-
- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies
-

Minute Action

AGENDA ITEM: 28

Date: November 4, 2009

Subject: Model Development Mitigation Cooperative Agreement

Recommendation:* Approve the model Development Mitigation Cooperative Agreement for adaptation and use by local jurisdictions (Attachment 2)

Background: The Measure I 2010-2040 Strategic Plan was approved by the SANBAG Board of Directors on April 1, 2009. SANBAG staff is now in the process of implementing the policies included in the Plan. One of the provisions of the Strategic Plan for the Valley Freeway Interchange Program is that a Development Mitigation Cooperative Agreement needs to be executed between a sponsoring agency (or lead agency) and a supporting agency for cases in which interchange development fair shares are jointly funded by two or more local jurisdictions. Alternatively, the sponsoring agency may provide to SANBAG a city council/Board of Supervisors resolution committing to funding the full development share.

A Development Mitigation Cooperative Agreement is not explicitly required for interchanges in the Victor Valley. However, to demonstrate the availability of development mitigation funding on Victor Valley interchange projects per Strategic Plan Policy 40013/VVMLH-5, it will be important to execute some form of a written agreement among the participating jurisdictions. This will also prevent future misunderstanding regarding mutual commitments to development mitigation. If the lead agency is assuming 100% responsibility for development mitigation on an

*

Approved
Board of Directors

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____

interchange project, a city council resolution from the jurisdiction must be provided to SANBAG committing to full funding of the development share. The minimum local jurisdiction development share is fixed by the Nexus Study. Within that fixed overall percentage, there is flexibility for jurisdictions to modify their individual shares on multi-jurisdictional projects. However, any modifications to jurisdiction percentages of development responsibility on individual projects in the Major Local Highways program will need to be documented as part of the Capital Project Needs Analysis, per Policy VVMLH-5. The Model Development Mitigation Cooperative Agreement included in this agenda item may provide a good starting point for a written agreement among jurisdictions for a jointly sponsored project in the Victor Valley.

The SANBAG Development Mitigation Nexus Study allocates shared responsibility for many of the interchanges. Attachment 1 provides a listing of the percentage responsibility for each interchange. The interchanges are organized by freeway segment and not by priority. Costs in Attachment 1 are from the 2007 Nexus Study and are being updated for the 2009 Nexus Study.

Relationship between Agencies

The sponsoring agency will usually be the local jurisdiction having the largest development share. The Strategic Plan indicates that SANBAG will reimburse the sponsoring agency for the public share based on invoices received, and the supporting agency(ies) will reimburse the sponsoring agency for their required development share. The sponsoring agency will execute a Project Funding Agreement with SANBAG, and any supporting agencies will execute Development Mitigation Cooperative Agreements with the sponsoring agency. In the event SANBAG takes over project management of an interchange, all participating local jurisdictions will reimburse SANBAG for their appropriate development shares and will execute cooperative agreements with SANBAG to that effect.

Timing of Agreement Execution

The Strategic Plan indicates that jurisdictions should have executed the appropriate Development Mitigation Cooperative Agreements by the time they submit their Capital Project Needs Analyses (CPNA), which is the end of September of each year. The purpose of the Development Mitigation Cooperative Agreement is to obtain a commitment of all the jurisdictions involved to provide the development mitigation required to move the

interchange project forward. If the jurisdictions are not clearly committed to their share of the development funding, then SANBAG should not allocate Measure I or other funds to the project. Given that there is insufficient time in this first year of the Measure to submit the Development Mitigation Cooperative Agreements along with the CPNAs, SANBAG staff believes it would be appropriate to provide additional flexibility for local jurisdictions to execute the cooperative agreements. Therefore, it is proposed that agencies desiring allocation of Measure I 2010-2040 dollars for Fiscal Year 2010-2011 (through the SANBAG apportionment process) present copies of the executed Development Mitigation Cooperative Agreements prior to the allocation of funds to projects by the SANBAG Board. Approval of fund allocation for FY10/11 by the SANBAG Board is anticipated no later than March 3, 2010. The flexibility for local jurisdiction execution of Development Mitigation Cooperative Agreements is recommended only for this year as an exception. In subsequent years, jurisdictions will need to provide the executed agreements at the time the sponsoring agency submits the CPNA pursuant to Measure I policy contained in the Strategic Plan.

The Model Agreement

A model Development Mitigation Cooperative Agreement is included as Attachment 2. Although SANBAG will not be a signatory to any of the Development Mitigation Cooperative Agreements, staff has prepared the model agreement for adaptation and use by local jurisdictions. These agreements may be tailored by participating local jurisdictions to the specific project circumstances, but the core commitment of the model agreement needs to remain intact. This core commitment includes the commitment to provide the respective development shares through the completion of the project at the percentages listed in the Nexus Study. If there are more than two agencies involved in a single interchange project, the agreement may be adapted to a multi-party agreement, at the discretion of the agencies, rather than each supporting agency executing an individual agreement with the sponsoring agency.

It is possible that local jurisdiction priorities may not be consistent for multi-jurisdictional projects. Consequently, the sponsoring agency may wish to loan a sponsoring agency the development mitigation required for the project in the Nexus Study. In such a scenario, it is possible that the Development Mitigation Cooperative Agreement be adapted as a development mitigation loan agreement between the sponsoring and

supporting agencies. The terms of the loan of development mitigation by the supporting agency to the sponsoring agency is left to the discretion of the two agencies. However, the full repayment of any development mitigation loan must occur prior to the sunset of Measure I 2010-2040. In addition, the Agreement may be adapted to cover the circumstance in which the supporting agency commits to providing an equal amount of the sponsoring agency's development share on another project.

In any scenario, the Strategic Plan requires that a Development Mitigation Cooperative Agreement be in place for the project prior to SANBAG allocating Measure I funds to a project. Failure to provide an executed Development Mitigation Cooperative Agreement, as adapted by the jurisdictions, could be grounds for the SANBAG Board to reject a request for an allocation of Measure I 2010-2040 funds, even if the project satisfies all the other necessary criteria.

It should also be noted that if either a sponsoring agency or supporting agency does not have the actual development mitigation dollars available, Strategic Plan policies allow for transaction of internal loans for purposes of providing the local jurisdiction share of funding. SANBAG must have documented evidence of the commitment of funds, but is allowing flexibility for jurisdictions to provide internal loans from other accounts to support the development mitigation funding. SANBAG requires that documentation of internal loans be included in the Capital Project Needs Analysis and Development Mitigation Annual Reports.

SANBAG staff expects that it will take several months for jurisdictions to negotiate Development Mitigation Cooperative Agreements for interchange projects. Therefore, staff is requesting release of this model agreement to initiate the process for local jurisdiction adoption of the cooperative agreement prior to the allocation of Measure I funds in early 2010. SANBAG staff is available to work with any of the jurisdictions to facilitate discussions of Development Mitigation Cooperative Agreements. Prior to taking the Development Mitigation Cooperative Agreements to city council/Board of Supervisors for approval, SANBAG staff should be provided with a draft copy for review, especially if the terms of the agreement deviate from the terms established in the model Development Mitigation Cooperative Agreement. Sponsoring agencies must provide executed copies of their agreements with supporting agencies to SANBAG no later than January 31, 2010. This will provide SANBAG staff with the understanding that the development share is available for a project. This information is required by January 31, 2010 so that staff can incorporate

the information into the project allocation discussion which will take place during the February policy committee meetings.

It should be noted that SANBAG staff recognizes the challenges of local jurisdictions committing to their development shares and the added complexity of this when the development shares are funded jointly by two or more jurisdictions. Staff remains open to local jurisdiction efforts to simplify this process by consolidating development fair shares so that most interchanges involve development share commitment by only the sponsoring agency. Where this can be done, Development Mitigation Cooperative Agreements will not be required. In Fall 2008, SANBAG staff developed a draft table for Valley interchanges for how this consolidation/simplification might occur. This is most easily accomplished when done in a comprehensive manner, but could possibly be done on a subarea basis. SANBAG staff is not proposing the consolidation at this time, but the option exists if local jurisdictions determine that the execution of individual Development Mitigation Cooperative Agreements becomes an insurmountable obstacle to the timely delivery of interchange projects.

Financial Impact: This item has no financial impact. The item is consistent with the approved Fiscal Year 2009-2010 SANBAG budget, Task 60910000.

Reviewed By: This item was reviewed by the Major Projects Committee on October 15, 2009 and Mountain/Desert Committee on October 16, 2009. It was placed on the Board discussion calendar to provide additional information on the bond subordination clause in the model Project Funding and Advance Expenditure Agreements, per request of the committees.

Responsible Staff: Steve Smith, Chief of Planning

Attachment 1

Interchange Development Fair Share Percentage Splits among Valley Jurisdictions by Freeway Segment from the 2007 Development Mitigation Nexus Study

Interchange	2007 Nexus Study Cost (\$Millions)	Total Fair Share Percentage	2007 Nexus Study Fair Shares	
			Jurisdictions Involved*	Corresponding Devel. Fair Share % Splits
SR-60 at:				
Ramona	\$27	31.3%	Ch/Co/Mo	53%/39%/8%
Central	\$27	58.8%	Ch/Co/Mo	91/8/1
Mountain	\$23	46.2%	Ch/On	50/50
Euclid	\$7	44.5%	On/Ch	57/43
Grove	\$45	48.3%	On/Ch	99/1
Vineyard	\$45	60.3%	On/Ch	93/7
Archibald	\$6	66.1%	On	100
I-10 at:				
Monte Vista	\$25	24.1%	Mo/Up/Co	74/2/24
Euclid	\$8	17.4%	Up/On	60/40
Grove/4 th	\$70	17.1%	On/RC/Up	64/22/14
Vineyard	\$74	60.0%	On	100
Cherry	\$44	35.4%	Co/Fo	64/36
Beech	\$34	50.0%	Fo/Co	64/36
Citrus	\$45	38.4%	Fo/Co	99/1
Alder	\$34	50.0%	Fo/Co	71/29
Cedar	\$34	30.0%	Co/Fo/Ri	74/12/14
Riverside	\$51	27.4%	Ri/Co/Ct	66/8/26
Pepper	\$34	34.0%	Ct/Co/SB	92/4/4
Mt. Vernon	\$32	5.1%	Ct	100
Tippecanoe	\$60	34.6%	SB/LL	50/50
Mtn. View	\$51	37.8%	LL/SB/Co/Re	70/20/6/4
California	\$45	47.8%	Co/LL/Re	47/38/15
Alabama	\$27	50.5%	Co/Re	65/35
University	\$5	17.9%	Re	100
Wabash	\$27	35.8%	Co/Re	88/12
Live Oak	\$19	37.0%	Yu/Re	99/1
Wildwood	\$31	50.0%	Yu	100

Interchange	2007 Nexus Study Fair Shares			
	2007 Nexus Study Cost (\$Millions)	Total Fair Share Percentage	Jurisdictions Involved*	Corresponding Devel. Fair Share % Splits
I-15 at:				
6 th /Arrow	\$37	50.0%	RC/Fo	90/10
Baseline	\$32	50.0%	RC/Fo	67/33
Duncan Cyn.	\$23	77.3%	Fo/Co	79/21
Sierra	\$13	80.3%	Ri/Fo/Co	65/28/7
Ranchero	\$32	57.5%	He/Co	93/7
Joshua	\$18	58.7%	He/Co	95/5
Mojave	\$51	55.4%	He/VV/AV/Co	77/8/11/4
Eucalyptus	\$51	57.4%	He/VV	53/47
Bear Valley	\$25	31.3%	He/VV/AV/Co	15/53/31/1
La Mesa/Nisqual	\$65	50.5%	VV/AV/Co	79/19/2
E-W Corridor	\$76	63.7%	VV/Ad/AV/Co	27/18/36/19
I-215 at:				
University	\$29	15.8	Co/SB	57/43
Pepper/Linden	\$51	50.0	SB	100
Palm	\$11	35.7	SB/Co	50/50
SR-210 at:				
Waterman	\$51	18.2	SB	
Del Rosa	\$36	32.8	SB/Hi/Co	63/28/9
Baseline	\$18	41.9	Hi	100
5 th	\$18	44.1	Hi/SB/Re	93/5/1

*Details on arrangements between County and Colton remain to be finalized on I-10/Pepper
Abbreviations: Ad=Adelanto; AV=Apple Valley; Ch=Chino; Co=County; Ct=Colton; Fo=Fontana; Hesperia=He; Hi=Highland; LL=Loma Linda; Mo=Montclair; On=Ontario; RC=Rancho Cucamonga; Re=Redlands; Ri=Rialto; SB=San Bernardino; Up=Upland; VV=Victorville; Yu=Yucaipa

ATTACHMENT 2:
Model Development Mitigation Cooperative Agreement

DEVELOPMENT MITIGATION COOPERATIVE AGREEMENT NO. _____
BETWEEN

CITY/COUNTY OF _____

AND

CITY/COUNTY OF _____

FOR

a _____ (hereinafter referred to as PROJECT) in the City/County of _____

THIS AGREEMENT is made and entered into this _____ day of _____ by and between the City/County of _____ (hereinafter referred to as SPONSORING AGENCY) and the City/County of _____ (hereinafter referred to as SUPPORTING AGENCY).

WITNESSETH

WHEREAS, the Measure I 2010-2040 Expenditure Plan and the SANBAG Nexus Study identified freeway interchange, projects eligible for partial funding from Measure I 2010-2040 revenues; and

WHEREAS, the Measure I 2010-2040 Strategic Plan sets forth the policies by which the expenditure of Measure I funds are managed; and

WHEREAS, many of the interchange projects in both the Valley Freeway Interchange and Victor Valley Major Local Highways Programs require shared development contributions from a SPONSORING AGENCY and one or more SUPPORTING AGENCIES; and

WHEREAS, the PROJECT and associated expenditure phase are included in the SANBAG Nexus Study and are eligible to receive Measure I 2010-2040 funds; and

WHEREAS, SANBAG transacts all expense reimbursements for PROJECT with the SPONSORING AGENCY; and

WHEREAS, SPONSORING AGENCY and SUPPORTING AGENCY both have development mitigation fair share requirements for the PROJECT; and

WHEREAS, SANBAG requires the SPONSORING AGENCY to coordinate all minority share development mitigation fair share contributions identified in Nexus Study; and

WHEREAS, no allocation of Measure I funding by SANBAG will occur prior to the execution of the Development Mitigation Cooperative Agreement among development mitigation contributors identified for the PROJECT; and

WHEREAS, SPONSORING AGENCY wishes to begin the PROJECT; and

WHEREAS, SPONSORING AGENCY and SUPPORTING AGENCY are entering into this Agreement with the understanding that SUPPORTING AGENCY will provide SPONSORING AGENCY with the development mitigation fair share amount established by the Nexus Study for eligible PROJECT expenditures.

NOW, THEREFORE, SPONSORING AGENCY and SUPPORTING AGENCY agree to the following:

SECTION I

SPONSORING AGENCY AGREES:

1. That the SPONSORING AGENCY will provide __% of development mitigation funding for the PROJECT, which will come from development impact fees or other source of development contribution as required by the Development Mitigation Nexus Study (Appendix K of the SANBAG Congestion Management Program – CMP) and Appendix J of the CMP or from a loan of funds to the City's/County's development impact fee.
2. To maintain up-to-date PROJECT cost estimates for the PROJECT in the SANBAG Nexus Study and to notify the SUPPORTING AGENCY of changes to the PROJECT cost estimate included in the Nexus Study within thirty (30) days of approval by the SANBAG Board of Directors for PROJECT's scope of work included in Attachment A of this Agreement.
3. To invoice SUPPORTING AGENCY for development mitigation required by SANBAG Nexus Study no more frequently than once per month. Contractor invoices

shall be included with invoice to SUPPORTING AGENCY as the basis for substantiating the invoice amount for eligible PROJECT expenditures.

4. To abide by all SANBAG, State and, if applicable, Federal policies, procedures, and regulations pertaining to the PROJECT, including policies pertaining to the PROJECT in the Measure I 2010-2040 Strategic Plan.
5. To repay the SUPPORTING AGENCY any development mitigation costs that are determined by subsequent audit to be unallowable within thirty (30) days of SPONSORING AGENCY receiving notice of audit findings.
6. To execute a Project Funding Agreement with SANBAG as required by the SANBAG Measure I 2010-2040 Strategic Plan, and to be responsible for ensuring the PROJECT's compliance with the terms of the funding agreement.
7. To maintain all source documents, books and records connected with its performance under this Agreement for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SANBAG or until audit resolution is achieved, whichever is later, and to make all such supporting information available for inspection and audit by representatives of SUPPORTING AGENCY. Copies will be made and furnished by SPONSORING AGENCY upon request.
8. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support accounting activities associated with the delivery of PROJECT by the SPONSORING AGENCY and produce monthly reports which clearly identify invoice payments for PROJECT, including funding information.
9. To include SUPPORTING AGENCY in Project Development Team (PDT) meetings and related communications on project progress and to provide at least quarterly schedule updates to SUPPORTING AGENCY. SUPPORTING AGENCY Contact shall be _____.

SECTION II

SUPPORTING AGENCY AGREES:

1. That the SUPPORTING AGENCY will provide __% of development mitigation funding for the PROJECT, which will come from development impact fees or other source of development contribution as required by the Development Mitigation Nexus Study (Appendix K of the SANBAG Congestion Management Program – CMP) and Appendix J of the CMP or from a loan of funds to the SUPPORTING AGENCY's

development impact fee. Eligible PROJECT costs shall be contained in the Nexus Study and will be updated by SPONSORING AGENCY per Section I of this Agreement.

2. To reimburse SPONSORING AGENCY for expenditures incurred on PROJECT at a rate no more frequently than monthly within thirty (30) days following receipt of a progress invoice from the SPONSORING AGENCY.

SECTION III

IT IS MUTUALLY AGREED:

1. That the Agreement applies to all phases and scope of work for the PROJECT, as listed in Attachment A.
2. That the SUPPORTING AGENCY'S financial responsibility shall not exceed ____% of actual PROJECT costs for expenditures on the scope of work as listed in Attachment A, unless the fair share percentage is amended in the Nexus Study as a result of annexations or other changes to growth figures that affect development mitigation fair share contributions to the PROJECT. Any change in fair share percentages shall affect only development mitigation contributions subsequent to the amendment to the Nexus Study and shall not be retroactive.
3. That eligible PROJECT expenditures shall be limited to the PROJECT-specific work activities described in Attachment A to this Agreement and shall not include escalation, interest, or other fees.
4. That neither SPONSORING AGENCY nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by SUPPORTING AGENCY in connection with the PROJECT or under or in connection with any work, authority or jurisdiction delegated to SUPPORTING AGENCY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, SUPPORTING AGENCY shall fully defend, indemnify and save harmless SPONSORING AGENCY, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) or damage occurring by reason of anything done or omitted to be done by SUPPORTING AGENCY under or in connection with any work, authority or jurisdiction delegated to SUPPORTING AGENCY under this Agreement.
5. That neither SUPPORTING AGENCY nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of

anything done or omitted to be done by SPONSORING AGENCY in connection with the PROJECT or under or in connection with any work, authority or jurisdiction delegated to SPONSORING AGENCY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, SPONSORING AGENCY shall fully defend, indemnify and save harmless SUPPORTING AGENCY, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) or damage occurring by reason of anything done or omitted to be done by SPONSORING AGENCY under or in connection with any work, authority or jurisdiction delegated to SPONSORING AGENCY under this Agreement.

6. That this Agreement will be considered terminated upon the complete payment of development mitigation for eligible costs of PROJECT by SUPPORTING AGENCY or by SANBAG termination of Project Funding Agreement with SPONSORING AGENCY.
7. That the terms of this Agreement represent the mutual consent of the SPONSORING AGENCY and SUPPORTING AGENCY to provide the full development share for the PROJECT required by the SANBAG Nexus Study and that failure of either party to contribute the development share according to the terms of this agreement does not obligate SANBAG to provide supplemental funds or otherwise remedy that failure. SANBAG may use the failure of either party to perform according to the terms of this agreement as justification for termination or modification of SANBAG's Project Funding Agreement with the SPONSORING AGENCY if this failure jeopardizes the delivery of the PROJECT according to the terms of the Project Funding Agreement.

City/County of

By: _____
Mayor

Date: _____

APPROVED AS TO FORM AND
PROCEDURE:

By: _____
City/County Attorney

Date: _____

City/County of

By: _____
Mayor

Date: _____

APPROVED AS TO FORM AND
PROCEDURE:

By: _____
City/County Attorney

Date: _____

Attachment A

(Project Description)

Project Scope, Schedule and Estimated Cost by Phase

Proposed Project Work:

Proposed Project Schedule

	Start	Finish
PA/ED:		
PSE:		
ROW:		
CONST:		

Summary of Project Costs by Phase (Estimate):

Total Project Cost \$

AGENCY REPORTS

-
- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies
-

NOVEMBER COMMUTER RAIL REPORT

1. PATRONAGE

San Bernardino Line:

Patronage on the San Bernardino Line increased 2% compared to last month but was down almost 14% from the same month last year.

San Bernardino Line Saturday patronage was up 8% from last month but was 8% lower than September 2008.

Sunday ridership showed a 20% increase from last month and an almost 9% increase from the same month a year ago.

Riverside-Ontario-Los Angeles Line:

September average daily ridership on the Riverside Line increased 4% from last month but dropped almost 8% in a year-to-year comparison.

Inland Empire-Orange County (IEOC) Line:

Ridership on the IEOC Line increased 5% from last month, but showed a 20% decrease from the same month last year..

Total System:

System wide, average daily ridership increased almost 3% from August 2009. September 2009 was close to 14% slower than September 2008.

Table 1

Average Weekday Daily Ridership*

	<u>San Bernardino</u>	<u>Riverside</u>	<u>IEOC</u>	<u>Systemwide</u>
September 2009	11,989	4,944	4,111	40,878
September 2008	13,886	5,342	5,154	47,416
% Change	- 13.7%	- 7.5%	- 20.2%	- 13.8%

* Adjusted for Holidays

Table 2

Average Weekend Ridership

	<u>San Bernardino Saturday</u>	<u>San Bernardino Sunday</u>
September 2009	3,679	2,677
September 2008	3,996	2,463
% Change	- 7.9%	+ 8.7%

2. ON-TIME PERFORMANCE (arrival within 5 minutes of scheduled time)

San Bernardino Line:

On-time performance for the San Bernardino Line worsened from August to September. Inbound trains dropped from 93% on time in August to 92% on time in September. Outbound trains dropped four percentage points from August and finished September on time 88% of the time. Metrolink operations caused eighteen of the eighty-seven reported delays. Mechanical difficulties accounted for another sixteen delays.

Riverside-Ontario-Los Angeles Line:

September on-time performance for the Riverside Line also worsened compared to August. Inbound trains dropped one percentage point, from 100% on time in August to 99% on time in September. Additionally, outbound trains dropped four points to finish September on time 94% of the time. The eight reported delays were fairly evenly distributed between train/engine operations, mechanical difficulties, and signals/communications.

Inland Empire-Orange County (IEOC) Line:

On-time performance for the IEOC Line improved from August to September. Southbound trains held steady at 98% on time while northbound trains improved from 93% on time in August to 95% on time in September. Signals/communications, track problems, mechanical difficulties, dispatching, and train/engine operations each accounted for two of the twelve reported delays.

Table 3

On Time Performance

% of weekday trains arriving w/in 5 min of scheduled time

(September 2009 vs. September 2008)

	<u>San Bernardino</u>		<u>Riverside</u>		<u>IEOC</u>	
	In	Out	In	Out	So	No
September 2009	92%	88%	99%	94%	98%	95%
September 2008	98%	94%	99%	98%	98%	92%



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

October 7, 2009

Members of the Governing Board:

Chairman
Dr. William A. Burke
Speaker of the Assembly
Appointee

Vice Chairman
Dennis R. Yates
Mayor, Chino
Cities of San Bernardino County

Michael D. Antonovich
Supervisor, Fifth District
County of Los Angeles

Marion Ashley
Supervisor, 5th District
County of Riverside

Michael A. Cacciotti
Councilmember, City of South Pasadena
Cities of Los Angeles County/
Eastern Region

Bill Campbell
Supervisor, Third District
County of Orange

Jane W. Carney
Senate Rules Appointee

Josie Gonzales
Supervisor, Fifth District
County of San Bernardino

Ronald O. Loveridge
Mayor, Riverside
Cities of Riverside County

Joseph K. Lyau, Ph.D.
Governor's Appointee

Jan Perry
Councilmember, 9th District
City of Los Angeles Representative

Miguel A. Pulido
Mayor, Santa Ana
Cities of Orange County

Tonia Reyes Uranga
Councilmember, City of Long Beach
Cities of Los Angeles County/
Western Region

To: Mayors and Councilmembers

From: **Dennis R. Yates, Mayor/City of Chino**
Cities of San Bernardino County
Vice Chairman, South Coast AQMD

Attached are the agenda items and the outcome of the October 2, 2009, AQMD Governing Board meeting, and a preview of the item for discussion at the November 6, 2009, meeting.

PUBLIC HEARING ITEM AT THE OCTOBER 2, 2009 BOARD MEETING

There were no public hearing items for October.

PUBLIC HEARINGS SET FOR NOVEMBER 6, 2009 BOARD MEETING

Amend Rule 1111 – NO_x Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces

The proposed amendment would implement 2007 AQMP control measure CMB03 – Further NO_x Reductions from Residential Heating Furnaces through the use of low NO_x burner technology and improvements to heat exchange components in residential furnaces. The proposed amendment would lower the NO_x emissions limit for the majority of new residential heating furnaces and for the first time establish a NO_x limit on new furnaces used in mobile homes. The implementation is proposed to be phased in over a six-year period beginning 2012 with option for an alternate compliance plan. Other minor clarifications and reporting requirements are also proposed.

Amend Rule 1155 – Particulate Matter Control Devices

Proposed Rule 1155 will implement 2007 AQMP Control Measure BCM-01 by establishing requirements for PM control devices.



REPORT: Mobile Source Air Pollution Reduction Review Committee

FROM: Gwenn Norton-Perry, SANBAG Representative to the MSRC

SYNOPSIS: Below is a summary of key issues addressed at the MSRC's meeting on September 10, 2009. The MSRC's next scheduled meeting is October 15, 2009, at 2:00 p.m. in Conference Room CC8.

Approved August 20, 2009 MSRC Meeting Minutes

The August 20, 2009 MSRC meeting minutes were approved by the MSRC at its September 10, 2009 meeting.

FY 2009-10 AB 2766 Discretionary Fund Work Program

Approximately \$16 million is available for the FY 2009-10 AB 2766 Discretionary Fund Work Program, including projected revenue and interest, carryover and turnback funds. At its September 10, 2009, the MSRC considered recommendations from the MSRC-TAC and its subcommittees and approved additional funding augmentations and elements for its FY 2009-10 Work Program, as follows:

• Alternative Fuel School Bus Program for Private Pupil Transportation Providers*	\$2,000,000
• Fund FY 2008-09 Local Government Match Program Primary Backup List*	\$2,774,840
• Fund FY 2008-09 Local Government Match Program Secondary Backup List	\$3,575,000
• Alternative Fuel Infrastructure Program	\$3,150,000
• Local Government Match Program (new)	\$2,000,000
• 0.2 g Non-FEL Alt Fuel On-Road Engines	\$2,350,000
• Telework Program	<u>\$150,000</u>
Total	<u>\$15,998,840</u>

*The first two work program elements were approved by the AQMD Board on September 11, 2009.

Solicitations for infrastructure, local government match, 0.2 g engines and a telework program will be considered by the MSRC at a future meeting. Concurrently, the MSRC will also consider approval of projects in ranked order on the FY 2008-09 Local Government Match Program secondary back up list, which includes project requests totaling \$5.2 million. MSRC staff is currently verifying with the cities and counties that these local match projects remain viable and haven't been funded under other solicitations, such as the Moyer Program or calls for projects resulting from stimulus funding. Additional FY 2009-10 Work Program awards and solicitations for release will be considered by the AQMD Board in the near future.

Contract Modification Requests

At its September 10, 2009 meetings, the MSRC considered contract modification requests and took the following unanimous actions:

1. For County of Los Angeles Department of Public Works Contract #ML05072, which provides \$349,000 to develop data links between LADOT's Traffic Center and Los Angeles County's Information Exchange Network, approval for reallocation of funds between tasks;
2. For City of Pasadena Contract #ML06028, which provides \$245,000 to construct a CNG station and modify the maintenance facility, approval of a nine-month, no-cost contract term extension and the addition of a December 2010 deadline for facility modifications to be complete;
3. For Burrtec Waste Industries Contract #MS08052, which provides \$100,000 to construct a CNG station in Fontana, approval of a one-year, no-cost contract term extension;
4. For Palm Springs Disposal Services Contract #MS07049, which provides \$96,000 towards the purchase of three refuse trucks with advanced natural gas engines; approval of a one-year, no-cost contract term extension;
5. For City of Santa Monica Contract #ML06025, which provides \$325,000 towards the purchase of 13 CNG vehicles, approval for vehicle substitutions and elimination of one CNG vehicle, plus a 16-month contract term extension;
6. For Yosemite Waters Contract #MS08015, which provides \$180,000 towards the purchase of 6 natural gas delivery trucks, approval to change from natural gas to liquefied petroleum gas and increase the number of delivery trucks from 6 to 11, with no increase in the contract value; and
7. For Orange County Transportation Authority Contract #MS06002, which provides \$928,740 to implement an automated vehicle locator on freeway service patrols, approval to reallocate funds between tasks.

Contracts Administrator's Report

The MSRC's AB 2766 Contracts Administrator provides a written status report on all open contracts from FY 2002-03 through the present.

ADDITIONAL INFORMATION

APPOINTING/ELECTING AUTHORITY	REGIONAL COUNCIL (12:00 noon)	POLICY COMMITTEES (RC Members Serve on One Each) (Subregional Appointments) (County Commissions Appoint One to TCC) (10:00 a.m.)		
		Community, Economic, and Human Development	Energy and Environment	Transportation and Communications
District 6 (Grand Terrace, Colton, Loma Linda, Redlands, Yucaipa)	P. Gilbreath			P. Gilbreath
District 7 (San Bernardino, Highland)	L. McCallon	L. McCallon		
District 8 (Rialto, Fontana)	D. Robertson	D. Robertson		
District 9 (Rancho Cucamonga, Upland, Montclair)	P. Eaton		P. Eaton	
District 10 (Chino, Chino Hills, Ontario)	G. Duncan			G. Duncan
District 11 (Barstow, Big Bear, Needles, Twentynine Palms, Yucca Valley)	B. Jahn	B. Jahn		
District 65 (Adelanto, Apple Valley, Hesperia, Victorville)	G. Coleman			
San Bernardino County	G. Ovitt			G. Ovitt
SANBAG Acting as County Transportation Commission	K. Chastain			K. Chastain
SANBAG Subregional Appointees*		B. Cortes	Vacant (J. Harrison)	Vacant (P. Leon)
*One appointee to each policy committee for a total of three appointees per subregion, plus one additional appointee for every SCAG District over three in the subregion. SANBAG has a total of seven subregional appointees to the policy committees.		G. Norton-Perry Vacant (J. Mitchell)	E. Scott	J. Pomierski

Rules of Appointment

1. SANBAG policy stipulates that all SANBAG appointees be SANBAG Board Members.
2. SCAG President appoints Regional Council members to Standing and Policy Committees.

Terms of Appointment

Terms of appointment for Regional Council members representing odd numbered districts expire immediately following the SCAG General Assembly in April of odd numbered years. Terms of appointment for Regional Council members representing even numbered districts expire immediately following the SCAG General Assembly in May of even numbered years. SANBAG appointments to SCAG Policy Committees are for a term from May through the next regular SCAG general assembly of the following year.

Stipend

SCAG provides Regional Council members \$100 per day for a maximum of four meetings per month, plus mileage. A stipend for the fifth meeting per month may be received on approval by SCAG's Executive Director. SCAG also provides subregional appointees representing SANBAG on SCAG Policy Committees \$70 per meeting.

Meeting Information

The regular meetings of SCAG Regional Council, Standing Committees, and Policy Committees are on the first Thursday of each month at the SCAG Offices located at 818 W. Seventh Street, Los Angeles:

10:00 a.m., Policy Committees

12:00 noon, Regional Council

Policy Committees

Community, Economic, and Human Development: Provides policy recommendations to the Regional Council on subjects of housing, land use, resource, economic, community development, infrastructure, employment, and regional disaster preparedness issues. Reviews and recommends to the Planning Committee revisions to the Housing, Economy, Growth Management, Human Resources, and Finance Chapters of the Regional Comprehensive Plan and Guide.

Energy and Environment: Acts as the policy advisory committee to the Regional Council on environmental issues, including air and water, hazardous, solid waste management, natural resources conservation, and energy conservation. Reviews the Environmental Impact Report of the Regional Comprehensive Plan and Guide. Provides recommendations to the Planning Committee on state and federal legislative proposals and administrative guidelines affecting environmental quality, resource conservation, **Transportation and Communications:** Acts as the policy advisory committee to the Regional Council on all regional matters pertaining to the movement of goods and people on land, water, and air. Reviews and recommends to the Regional Council all major utility development plans. Addresses the location, size, or capacity, timing, and impact of facilities.

SANBAG Policy Committee Membership

[illegible]

SANBAG Policy Committee Membership

COMMITTEE	PURPOSE	MEMBERSHIP	TERMS
Major Projects Committee Membership consists of SANBAG Board Members from jurisdictions in the Valley and County Supervisors representing areas in the Valley.	Provides policy guidance and recommendations to the Board of Directors on issues related to the Measure I Major Projects in the Valley.	John Pomierski, Upland (Chair) Bea Cortes, Grand Terrace (Vice Chair) Paul Biane, Supervisor Kelly Chastain, Colton Neil Derry, Supervisor Paul Eaton, Montclair Pat Gilbreath, Redlands Josie Gonzales, Supervisor Larry McCallon, Highland Patrick Morris, San Bernardino Gwen Norton-Perry, Chino Hills Mark Nuaimi, Fontana Gary Ovitt, Supervisor Richard Riddell, Yucaipa Rhodes "Dusty" Rigsby, Loma Linda Ed Scott, Rialto Alan Wapner, Ontario Diane Williams, Rancho Cucamonga Dennis Yates, Chino	Indeterminate (6/30/2010) Indeterminate (6/30/2010) Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate
Plans & Programs Committee Membership consists of three city SANBAG Board Members from each of the West Valley, East Valley, and Mountain/Desert subregions and all County Supervisors. City members shall be elected by caucus of city SANBAG Board Members within the subarea.	Provides ongoing policy level oversight for: (1) State and federal funding and programming requirements and related actions; (2) Congestion Management Program, Comprehensive Transportation Plan, and input into the Regional Transportation Plans; and (3) Transit, Call Box, Rideshare, and Freeway Service Patrol programs. Committee has authority to approve contracts of up to \$25,000 with notification to Board of Directors	Larry McCallon, Highland (Chair) Bill Jahn, Big Bear Lake (Vice Chair) Paul Biane, Supervisor Bea Cortes, Grand Terrace Neil Derry, Supervisor Paul Eaton, Montclair Josie Gonzales, Supervisor Bill Jahn, Big Bear Lake Brad Mitzelfelt, Supervisor William Neeb, Yucca Valley Mark Nuaimi, Fontana Gary Ovitt, Supervisor Richard Riddell, Yucaipa Rick Roelle, Apple Valley Diane Williams, Rancho Cucamonga	12/31/2010 (6/30/2010) 12/31/2009 (6/30/2010) Indeterminate 12/31/2009 Indeterminate 12/31/2010 Indeterminate 12/31/2009 Indeterminate 12/31/2010 12/31/2009 Indeterminate 12/31/2010 12/31/2010 12/31/2009 Indeterminate 12/31/2010 12/31/2010 12/31/2009

430

Policy Committee Meeting Times

Administrative Committee
 Commuter Rail Committee
 Major Projects Committee
 Mountain/Desert Committee
 Plans & Programs Committee

Second Wednesday, 9:00 a.m., SANBAG Offices
 Third Thursday every other month following the SANBAG Board meeting (Odd Months), 12:00 noon, SANBAG Offices

Second Thursday following the SANBAG Board meeting, 9:00 a.m., SANBAG Offices
 Third Friday, 9:00 a.m., Apple Valley
 Third Wednesday, 12:00 noon, SANBAG Offices

SANBAG Policy Committee Membership

SANBAG Ad Hoc Committees

COMMITTEE	PURPOSE	MEMBERSHIP
<p>Audit Subcommittee of the Administrative Committee In November 2008, the Board approved the creation of an Audit Subcommittee of the Administrative Committee to strengthen the financial oversight function of the Board.</p> <p>Additional SANBAG Board Members may be appointed annually at the discretion of the Board President.</p>	<p>The responsibilities of the Audit Subcommittee shall be to:</p> <ul style="list-style-type: none"> • Provide a direct contact between the independent auditor and the Board of Directors before, during and after the annual audit. • Work with the auditor and SANBAG staff on reviewing and implementing practices and controls identified in the annual audit. 	<p>Audit Subcommittee (for FY 2008-2009 Audit)</p> <ul style="list-style-type: none"> - SANBAG President – Paul Eaton, Montclair - Vice President – Brad Mitzelfelt, Supervisor - Immediate Past President – Gary Ovitt, Supervisor - Presidential Appointment – Pat Gilbreath, Redlands
<p>Ad Hoc Committee to Review Council of Government Roles In June 2006, the SANBAG President appointed the committee.</p>	<p>Reviews SANBAG activities and Board Member requests related to SANBAG's role as a Council of Governments.</p>	<p>Kelly Chastain, Colton (Chair)</p> <p>Dennis Hansberger, SBCO, representing East Valley and Mountain/Desert</p> <p>Josie Gonzales, SBCO, representing the East Valley</p> <p>John Pomierski, Upland, representing West Valley and recognizing his position as Major Projects Committee Chair</p> <p>Pat Morris, San Bernardino, representing the East Valley</p> <p>Paul Eaton, Montclair, representing the West Valley and recognizing his position as Plans & Programs Committee Chair</p> <p>Vacant - Jim Lindley, Hesperia, representing Mountain/Desert and recognizing his position as Mountain/Desert Committee Vice Chair.</p>
<p>Ad Hoc Committee on Litigation with San Bernardino County Flood Control District In January 2007, the SANBAG President was authorized to appoint an ad hoc review committee of SANBAG Board Members who do not represent local jurisdictions party to the San Bernardino County Flood Control District vs. SANBAG litigation relative to the Colonies Development.</p> <p>In April 2008, the role of this committee was expanded to include the Cactus Basin litigation.</p>	<p>Reviews and provides guidance on litigation with San Bernardino County Flood Control District regarding the Colonies Development and the Cactus Basin in Rialto.</p>	<p>Pat Morris, San Bernardino, Chair</p> <p>Mark Nuaimi, Fontana</p> <p>Pat Gilbreath, Redlands</p> <p>Richard Riddell, Yucaipa</p> <p>Larry McCallon, Highland</p>

This list provides information on acronyms commonly used by transportation planning professionals. This information is provided in an effort to assist SANBAG Board Members and partners as they participate in deliberations at SANBAG Board meetings. While a complete list of all acronyms which may arise at any given time is not possible, this list attempts to provide the most commonly-used terms. SANBAG staff makes every effort to minimize use of acronyms to ensure good communication and understanding of complex transportation processes.

AB	Assembly Bill
ACE	Alameda Corridor East
ACT	Association for Commuter Transportation
ADA	Americans with Disabilities Act
ADT	Average Daily Traffic
APTA	American Public Transportation Association
AQMP	Air Quality Management Plan
ARRA	American Recovery and Reinvestment Act
ATMIS	Advanced Transportation Management Information Systems
BAT	Barstow Area Transit
CALACT	California Association for Coordination Transportation
CALCOG	California Association of Councils of Governments
CALSAFE	California Committee for Service Authorities for Freeway Emergencies
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CMAQ	Congestion Mitigation and Air Quality
CMIA	Corridor Mobility Improvement Account
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CSAC	California State Association of Counties
CTA	California Transit Association
CTC	California Transportation Commission
CTC	County Transportation Commission
CTP	Comprehensive Transportation Plan
DBE	Disadvantaged Business Enterprise
DEMO	Federal Demonstration Funds
DOT	Department of Transportation
EA	Environmental Assessment
E&D	Elderly and Disabled
E&H	Elderly and Handicapped
EIR	Environmental Impact Report (California)
EIS	Environmental Impact Statement (Federal)
EPA	Environmental Protection Agency
FHWA	Federal Highway Administration
FSP	Freeway Service Patrol
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOV	High-Occupancy Vehicle
ICTC	Interstate Clean Transportation Corridor
IEEP	Inland Empire Economic Partnership
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
IIP/ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
IVDA	Inland Valley Development Agency
JARC	Job Access Reverse Commute
LACMTA	Los Angeles County Metropolitan Transportation Authority
LNG	Liquefied Natural Gas
LTF	Local Transportation Funds
MAGLEV	Magnetic Levitation

MARTA	Mountain Area Regional Transportation Authority
MBTA	Morongo Basin Transit Authority
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
MOU	Memorandum of Understanding
MPO	Metropolitan Planning Organization
MSRC	Mobile Source Air Pollution Reduction Review Committee
NAT	Needles Area Transit
NEPA	National Environmental Policy Act
OA	Obligation Authority
OCTA	Orange County Transportation Authority
PA&ED	Project Approval and Environmental Document
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PDT	Project Development Team
PNRS	Projects of National and Regional Significance
PPM	Planning, Programming and Monitoring Funds
PSE	Plans, Specifications and Estimates
PSR	Project Study Report
PTA	Public Transportation Account
PTC	Positive Train Control
PTMISEA	Public Transportation Modernization, Improvement and Service Enhancement Account
PUC	Public Utilities Commission
RCTC	Riverside County Transportation Commission
RDA	Redevelopment Agency
RFP	Request for Proposal
RIP	Regional Improvement Program
RSTIS	Regionally Significant Transportation Investment Study
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SB	Senate Bill
SAFE	Service Authority for Freeway Emergencies
SAFETEA-LU	Safe Accountable Flexible Efficient Transportation Equity Act – A Legacy for Users
SCAB	South Coast Air Basin
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SHA	State Highway Account
SHOPP	State Highway Operations and Protection Program
SOV	Single-Occupant Vehicle
SRTP	Short Range Transit Plan
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCIF	Trade Corridor Improvement Fund
TCM	Transportation Control Measure
TCRP	Traffic Congestion Relief Program
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TEA-21	Transportation Equity Act for the 21 st Century
TMC	Transportation Management Center
TMEE	Traffic Management and Environmental Enhancement
TSM	Transportation Systems Management
TSSDRA	Transit System Safety, Security and Disaster Response Account
USFWS	United States Fish and Wildlife Service
VCTC	Ventura County Transportation Commission
VVTA	Victor Valley Transit Authority
WRCOG	Western Riverside Council of Governments

San Bernardino Associated Governments



MISSION STATEMENT

To enhance the quality of life for all residents,
San Bernardino Associated Governments
(SANBAG) will:

- Improve cooperative regional planning
- Develop an accessible, efficient,
multi-modal transportation system
- Strengthen economic development
efforts
- Exert leadership in creative problem
solving

To successfully accomplish this mission,
SANBAG will foster enhanced relationships
among all of its stakeholders while adding
to the value of local governments.

Approved June 2, 1993
Reaffirmed March 6, 1996